

**CHARLES UNIVERSITY IN PRAGUE**

**FACULTY OF SOCIAL SCIENCES**

Institute of International Studies

Department of Russian and East European Studies

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**The Added Value: an Evaluation  
of the INTERREG IIIA Italy-  
Slovenia Programme and the  
Contribution of Minorities in its  
Implementation**

*M. A. Dissertation*

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Supervisor: doc. PhDr. Jiří Vykoukal, CSc.

## Abstrakt

Tato práce se zabývá relativně neznámou problematikou přeshraniční spolupráce, jež má významný dopad na pozvednutí socioekonomické úrovně všech evropských obyvatel příhraničních oblastí, jelikož v současné době jsou virtuálně všechny evropské příhraniční oblasti součástí jakéhosi typu přeshraničního regionu.

Cílem přeshraniční spolupráce je překonat nevýhody, jež pramení z postavení na okraji národa, a samozřejmě zlepšit životní podmínky obyvatel tohoto území. Zároveň je tato spolupráce nástrojem, jenž může nebývalou měrou přispět k procesu evropské integrace, jelikož proces výstavby tzv. "Spojené Evropy" začíná právě na hranicích, tedy místě, kde se evropská politika redukuje na lokální úroveň. Tato práce se soustředí na přeshraniční spolupráci mezi příhraniční italsko-slovenskou oblastí, která byla popisována jako strategické území a laboratoř pro evropskou integraci a vývoj. Zejména analyzuje italsko-slovenský program INTERREG IIIA, jenž probíhal od roku 2000 do roku 2006, a snaží se zodpovědět otázku, zda měl tento program na zmíněnou oblast nějaký ekonomický dopad a jakou roli v jeho realizaci sehrály národnostní menšiny.

## **Abstract**

This work focuses on cross-border cooperation, a relatively unknown subject that has great impact on the local level of European citizens, as nowadays virtually all European border areas are involved in some type of cross-border region.

The aim of the cross-border cooperation is to overcome the disadvantages that are the result of being at the edge of a nation, and of course to improve the conditions of the people living there, and it is a tool that can contribute immensely to European integration, as the building process of what we can call “United Europe” starts right there at the frontier, where European politics are broken down to a local level. This work will focus on one European border-region: that of the Upper Adriatic, and in particular the Italo-Slovene border, which is an area that has been described as a strategic territory and a laboratory for European integration and development. It will analyse the INTERREG IIIA Italy-Slovenia programme that ran from 2000 to 2006 and it will try to answer the question of whether this programme had any economical effects on the area and what was the role of the minorities in the implementation of the programme.

## **Klíčová slova**

přeshraniční spolupráce, příhraničních oblastí, menšiny, Itálie, Slovinsko, Evropa, INTERREG

## **Keywords**

Border region, cross-border cooperation, minorities, Italy, Slovenia, Europe, INTERREG

**Extent: 95 pages, 125.674 words with spaces**

**Statement:**

1. This statement is to confirm that this paper is a product of my own work and also to confirm that I used the listed sources in producing it.
2. I agree that the paper can be checked for research and studying purposes.

Prague, 18 May 2012

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I would like to thank my Mac for deciding not to break down while I was writing this thesis (it happened others and it wasn't pretty), George Friedrich Händel for composing the "Coronation Anthems" that have been the soundtrack of this work, Henry Purcell for composing the most hauntingly beautiful piece of music I've ever heard, the BBC for keeping me company all this time and for broadcasting the best programmes I've ever seen. Thanks to the immortal genius of Jane Austen and Oscar Wilde for cheering me up when I was feeling sad, I'm definitely a period dramas junkie and a proud one too. Thanks to Francesco, Justin and Felix for being my family these two years, every time I spend some time at your place is like being in one of those American TV series. Thanks to my family for giving me the opportunity to study abroad, and thanks to Alessandra for not forgetting me even if I was 900 km away (and for keeping me updated on what was going on back home).

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## **INTRODUCTION**

"The transborder cooperation is relatively unknown subject but a very complex one, due to the fact that the usual variables of the regional society are associated many other variables relating to the regional societies of other countries, to the comparison and the cooperation / conflict of national sovereignties (two or more), the coexistence of multiple cultures and ethnicities, to the memory of many different stories that differ from the current one and are often "bad", to the marginality that is compared to the national economic development as areas located on the borders, to the place where the macro-national level (e.g. national defense) merges into the micro-local (whether it is a conference, a cooperation between schools or language spoken at the bar that moves from one the other). Such a situation, dominated by the complexity caused by a surplus of variables that the rest of the national "province" experiments, has effects on institutions and civil society operating in the border area, both because they are charged with new features (compared to those being valid in the rest of the country) but also new organizational segments, and because in these particular areas specific institutions can be created."<sup>1</sup> (Gasparini 2008)

If we portray borders not as barriers, but as places for exchange and cooperation that are full of potential, it is clear to see how they can be inestimable resources for reunification. The enlarged EU has been encouraging the creation of forms of

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<sup>1</sup> Gasparini, A. *"Governance della cooperazione transfrontaliera"*, in Pizio Ammassari, G., *Élites e processi decisionali tra politica ed economia. Analisti di casi*, Catanzaro, Rubettino Università, 2008

decentralisation of power, in particular in the economic and cultural field, and nowadays virtually all European border areas are involved in some type of cross-border region. There is no doubt that putting together parts of different states and encouraging their reciprocal knowledge and having them to cooperate on many different things is the stroke of genius on the concept of Europe<sup>2</sup>.

The aim of the cross-border cooperation is to overcome the disadvantages that are the result of being at the edge of a nation, and of course to improve the conditions of the people living there.

Cross-border cooperation is a tool that can contribute immensely to European integration, and the building process of what we can call “United Europe” starts right there at the frontier, where European politics are broken down to a local level, as in the border regions the cooperation is not only put in to practice, but is also vital.

This work will focus in particular on one European border-region: that of the Upper Adriatic, and in particular the Italo-Slovene border. This particular area has been described as a strategic territory and a laboratory for European integration and development, as it is the meeting point of Europe’s three great historic civilisations and ethno-linguistic groups: the Romance, the Germanic and the Slavonic. This territory is often described also with the oxymoron “liquid territory”<sup>3</sup> to depict its salient characteristics that make this area a sort of “miniature middle-Europe”.

The programme INTERREG IIIA that involved the Italo-Slovene border in the period 2000-2006 was taken into consideration and analysed in this work.

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<sup>2</sup> Del Bianco, Daniele. Crossborder Co-Operation as a Tool for Trans-National Integration and Conflict Resolution: The Upper Adriatic Euroregional Experiences. in *Narodna Umjetnost*, Croatian Journal of Ethnology and Folklore Research 43/1, Zagreb, 2006

<sup>3</sup> Del Bianco, Daniele. *L’esperienza dell’Euroregione dell’Alto Adriatico*. ISIG Journal, Volume XVII no. 1, 2008

The first part is dedicated to a strictly theoretical framework, and it has been divided in two chapters for the sake of clearness: the first chapter introduces to the concepts of borders and border regions, minority politicisation, cross-border cooperation, historical minority and a brief overview on the cohesion policy for the period 2000-2006 in which the INTERREG programme was included.

The second chapter is more focused on the programme area on which this work focuses on: an overview of the history of the cross-border cooperation in the area is given, as well the factors characterising the INTERREG IIIA programme, economical and infrastructural characteristics of the area, intensity of the territorial cooperation and the historical background of the border (the latter being particularly important to understand the relations between the two minorities inhabiting the border area).

The second part focuses strictly on the economical and financial characters of the Italy-Slovenia INTERREG IIIA: the financial implementation and the effectiveness of the programme are analysed in the first chapter, while the second chapter analyses a sample number of projects that were implemented in the area that were chosen on the basis of two criteria: the covering of the priority topics that were set for INTERREG III Strand A and the availability of sources and documents.

The aim of this work is to assess whether the INTERREG IIIA programme had any considerable economic and cultural effects on the border area, and if so which particular effects can be detected. The second research question highlighted by this work is about the dimension of the importance of the minorities living on the border area as a contribution to the success of the programme, and their role in deconstructing the prejudices that have haunted the lives of those living in that particular area, given the fraught history they share.

It was decided to analyse the period from 2000 to 2006 in particular given the fact that it was the programming period that was concluded right before the current

programming period started. Therefore it's easier to assess the economic results and impacts, as it can take additional time for some results to be seen, and assessing them while the programme is still being implemented is very hard if not impossible. The second reason for that choice is that the sources available for that particular programming period are much more numerous than those for the current programming period 2007-2013, especially considering the fact that the mid-term evaluations for the current programme haven't even been prepared yet.

The primary sources consist mainly of official documents issued by the European Union (and in particular by the European Commission) and by the regional authorities that were involved in the programme. The reason for that is the fact that there aren't many (if almost none) "traditional" sources concerning cross-border cooperations in general and the Italy-Slovenia cooperation in particular, but mainly evaluation reports and economic evaluations issued by the institutions that are directly involved in these programmes. This work would therefore idealistically try to fill a gap and provide an overview on the Italy-Slovenia programme and the value that the border minorities had in its implementation. The secondary literature focuses on the theoretical concepts of borders and border regions, and the main authors on which the theoretical overview is based on are Strassoldo, Bartolini and Martinez. An author that should be given a special mention here is Daniele Del Bianco, senior researcher at the International Institute of Sociology in Gorizia (ISIG) whose research provided a valuable contribution to this work.

To carry out the economic analysis of the programme, mid-term and ex-post evaluations commissioned by the European Commission were used, as well as final reports on the whole INTERREG programme and on the 2000-2006 cohesion policy, all available on the official website of the European Commission.

As far as the analysis of the projects implemented is concerned, the documentation available on the official website of the Italy-Slovenia programme was used.

The hope is to be able to show the special roles played by regions and minorities, that with the sums of their different cultures and languages are the foundation of the cultural identity of Europe. Our linguistic and cultural diversity is Europe's real treasure, and it would be a mistake to understand this continent as a uniform cultural and/or linguistic entity.

## PART I

### THEORETICAL FRAMEWORK

## **CHAPTER 1**

### **MAIN THEORETICAL CONCEPTS**

#### **1.1 – An introduction to borders**

The concept of borders is a historically determined one. It has had different meaning during different times and it has also been used in different ways depending on the purpose that had to be reached<sup>4</sup>. What once was a sharp line that coincided with administrative divisions and military frontiers has now turned into something not that strictly marked with the advent of the European Union, whose policies have the ideal goal of seeing these lines becoming less and less defined.

We could say that borders are “scars of history”. But they are much more than separating lines. Just like any kind of border we encounter in everyday life, they cannot be abolished, but neither should they be emphasized. They should be however mitigated in their negative effects in order to motivate people to create a common future side by side, and create a truly united Europe.

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<sup>4</sup> Hellenic Foundation for European and Foreign Policy. *Changing Interests and Identities in European Border Regions: EU Policies, Ethnic Minorities and Socio-Political Transformation in Member States and Accession Countries*



If we are to give a definition of border, we could borrow from Stefano Bartolini who sees them as the outlines of political administratively organized territories defined in geographical terms.<sup>5</sup>

The type of borders we are taking in consideration here is of a legal-political and military kind, but there are many other types that we can consider and that can elude a historical collocation. Strassoldo has identified at least seven: the geographical border; the legal-political border; the economical border; the military border; the cultural border; the ethnical border and finally the psychological border<sup>6</sup>

The consolidation of borders is a process that saw its completion in the 19<sup>th</sup> and 20<sup>th</sup> century, when the international system that was just being set in place institutionalised the jurisdiction of states over a particular territory. As borders became more and more fixed, the states channelled their power in the creation of homogenous societies out of local communities<sup>7</sup>, and with the help of a national education system, economic integration and political participation a strong sense of national membership was reached, even though all these tools couldn't cancel ethnic-cultural minorities that managed to remain strong, particularly in areas across state borders as shown by regional protests that went on during the 20<sup>th</sup> century. In Central-East and Southeast Europe (CESE) in particular the process of unification was made particularly hard by the fact that the process of nation-state building took over a century to be completed and did not produce secure borders until the 20<sup>th</sup> century. The main cause was the multi-ethnic legacy left behind by the Habsburg and Ottoman

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<sup>5</sup> Bartolini, Stefano (1998): "Exit Options, Boundary Building, Political Structuring," Working Paper SPS No.98/1, Florence, EUI.

<sup>6</sup> Strassoldo, R. *Temi di sociologia delle relazioni internazionali. La teoria dei confini* in Quaderni dell'ISIG n. 5, Gorizia, ISIG.1979

<sup>7</sup> Hellenic Foundation for European and Foreign Policy. *Changing interests and identities in European border regions: EU policies, Ethnic Minorities and Socio-Political Transformation in Member States and Accession Countries*, pg. 8

empires, which left the presence of large ethnic minorities in border areas<sup>8</sup>. A project of nationalisation and unification was brought on in the 40's with the communist regime that suppressed both minority and majority nationalist movements, leaving little room for the expression of different cultures but preventing ethnic conflict at the same time. Nonetheless ethnic identities maintained their strength and they were easily revived during the 90's.

## **1.2 – Regional minority politicisation in post-war Europe**

Speaking of regional minority politicisation in post-war Europe means referring mainly about two waves of politicisation that took place in two different moments, that were set in motion thanks to a set of territorial reforms and policies that were implemented by western European countries after the World War II. The first wave came up during the 1960s and 1970s, and its main aim was that of further national integration by targeting the peripheral regions through investments and transfer of resources<sup>9</sup>. The implicit additional reason of these policies was obviously that of accommodating territorial minorities (especially the potentially disloyal ones) within the state structures.

Ethnic-regional political parties rose in countries such as Scotland, Wales, Brittany and many others<sup>10</sup>. The contents and forms were different, but in general we can say that they ought to react against an excessive state centralisation and intrusion in local

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<sup>8</sup> Ibid.

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.

affairs. One of the main factors contributing to the rise of these parties was certainly the fact that the traditional national parties had lost the appeal that they used to have, and failed their function as tools for the integration of regional minorities<sup>11</sup>. What these movements sought was a greater autonomy in determining their path of economic development.

The second wave of minority nationalisms occurred in the 1980s and 1990s, and unlike the first one, the latter was linked to the process of the EU integration. This time the motivating factor was no longer the excessive state centralisation but the dispersion caused by the European integration, and more specifically the process of regionalisation<sup>12</sup>. Indeed, the implicit contract that saw minority regions giving support to the central state in exchange for regional resources is subverted within the context of the European Union<sup>13</sup>. Moreover, the state itself loses its role as a centre to which minorities can address their claims within this context.

### **1.3 – The definition of border region**

As we know, Europe is characterised by a diverse culture and history – a patchwork of different ethnic groups, each with its own traditions and language. It is only natural therefore that Europe is also a continent characterised by borders, which took centuries of wars (the last being the two World Wars of the first half of the 20<sup>th</sup> century) and violence to being defined, often separating ethnic groups that actually belonged together.

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<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

Border regions are historically problematic from an economic point of view because of their closeness to the enemy over the frontier: investors weren't so keen on risking, so they kept the economic activity confined to the central parts of the country, to big cities and the area around the capitals. The consequence is that border regions always lagged behind the rest of the country, presenting structural problems and limited transport links to the rest of the territory<sup>14</sup>.

But what regions can be exactly defined as border regions? It is generally considered a border region that included in a 15-20 km geographical area at both sides of the border, even though the European Council considers a bigger extension due to administrative reasons<sup>15</sup>. Another generally accepted concept is to consider the statistical territorial unities that graze the border, such as NUTS 3 or NUTS 2 regions. The acronym NUTS stands for Nomenclature of Territorial Units for Statistics, and it's a hierarchical system for dividing up the economic territory of the EU with the purpose of collecting, developing and harmonising the EU regional statistics and analysing the regions at a socio-economic level<sup>16</sup>. In particular, the division is made up of three levels: NUTS 1 comprehends major socio-economic regions, NUTS 2 basic regions and NUTS 3 small regions<sup>17</sup>. The drawback of the second definition is that the regions taken in consideration in this case extend on a bigger area and therefore is more difficult to analyse their situation. Whatever definition we decide to use, these regions remain the

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<sup>14</sup> Olajos, Orsolya Agnes. *The Economic Impacts of the Cross-border Cooperation Between Hungary and Slovakia*. Avans Hogeschool Breda. Budapest 2010

<sup>15</sup> Ibid.

<sup>16</sup> NUTS - Nomenclature of Territorial Units for Statistics, available at [epp.eurostat.ec.europa.eu/portal/page/portal/nuts\\_nomenclature/introduction](http://epp.eurostat.ec.europa.eu/portal/page/portal/nuts_nomenclature/introduction) (accessed on the 28th of March 2012)

<sup>17</sup> Ibid.

least developed areas of Europe, where the need to strengthen the cohesion and the European integration is the strongest.

After having clarified the meaning of what a border region is, we can briefly mention what the function of borders is. This is often defined as ambivalent, *connecting* and *separating* at the same time: on one hand, a border separates territories, cultures and economies while providing a sort of connection due to common interests, and this very function has been dominating in the last years due to the growing level of European integration.

#### **1.4 – Interaction on borderlands**

Speaking about interaction in borderlands is not easy, considering the huge differences in the size of the states, their relationships, their development and their differences in terms of culture and language. However, it is possible to find some general features that can help us to come up with a classification scheme that illustrates the cross-border contact. Before passing onto the analysis of the different paradigms of interaction, we should bare in mind that assessing cross-border movement is essential to be able to categorise borderlands, as many areas are still experiencing a lack of interaction, despite the fact that the majority of them has been tending towards convergence. After these considerations we can move onto the four paradigms of

borderlands as presented by Martinez(2002): alienated borderlands, co-existent borderlands, interdependent borderlands, and integrated borderlands.<sup>18</sup>

The model of *alienated borderlands* refers to borderlands where day-to-day cross boundary interchange is practically non-existent because of unfavourable conditions such as war, intense nationalism, religious enmity and ethnic rivalry. As it can easily be imagined, such a climate prevents people to lead normal lives: international trade and contacts between people are very difficult if not impossible, and the constant threat of violence keeps these areas scarcely populated and underdeveloped. We can cite as examples of alienated borders the USA-Mexico frontier in the 15<sup>th</sup> and 16<sup>th</sup> centuries and current borderlands in the Middle East, Africa, Asia and Eastern Europe<sup>19</sup>.

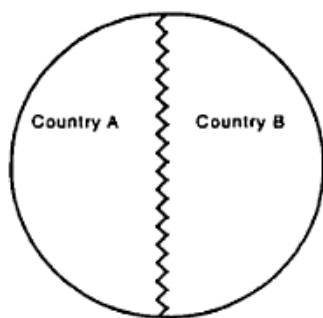
In the case of *co-existent borderlands*, the border related conflict is reduced to a manageable level, and minimal border stability is reached. An alienated borderland can evolve to a co-existence state when for example a serious dispute is solved by two nations to a point that international relations are possible, but not to the point of allowing significant cross-border interaction. Examples of co-existent borderlands are for example the Ecuador-Peru or Israel-Jordan frontiers<sup>20</sup>.

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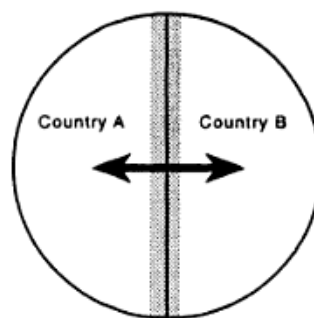
<sup>18</sup> Martinez, Oscar J. *The Dynamics of Border Interaction, New Approaches to Border Analysis*. Global Boundaries volume I, edited by Clive H. Schofield, Routledge 2002

<sup>19</sup> Ibid.

<sup>20</sup> Ibid.



*Figure 1.1 Alienated borderlands*  
Tension prevails. Border is functionally closed, and cross-border interaction is totally or nearly totally absent. Residents of each country act as strangers to each other.



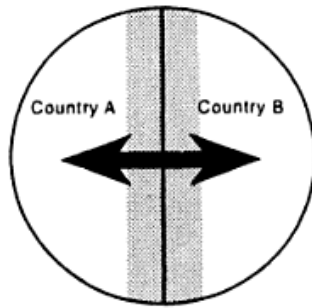
*Figure 1.2 Co-existent borderlands*  
Stability is an on and off proposition. Border remains slightly open, allowing for the development of limited binational interaction. Residents of each country deal with each other as casual acquaintances, but borderlanders develop closer relationships.

*Source: Martinez, Oscar J. The Dynamics of Border Interaction, New Approaches to Border Analysis. Global Boundaries volume I, edited by Clive H. Schofield, Routledge 2002*

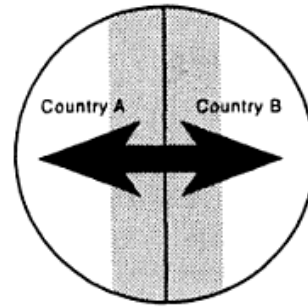
An Interdependent borderland occurs when a border region in one nation is symbiotically linked with the border region of an adjoining country. The result is the creation of a mutually beneficial economic system that originates from a favourable climate that permits borderlands on both sides to stimulate growth and development.

At *interdependent borderlands* stability prevails most of the time and the borderland countries maintain a friendly and cooperative friendship.

In the case of *integrated borderlands*, stability is strong and permanent. There is an unrestricted movement of people and goods across the boundary, and the economies of the two countries are functionally merged.



*Figure 1.3 Interdependent borderlands*  
Stability prevails most of the time. Economic and social complementarity prompt increased cross-border interaction, leading to expansion of borderlands. Borderlanders carry on friendly and cooperative relationships.



*Figure 1.4 Integrated borderlands*  
Stability is strong and permanent. Economies of both countries are functionally merged and there is unrestricted movement of people and goods across the boundary. Borderlanders perceive themselves as members of one social system.

*Source: Martinez, Oscar J. The Dynamics of Border Interaction, New Approaches to Border Analysis. Global Boundaries volume I, edited by Clive H. Schofield, Routledge 2002*

## 1.5 – Definition of an historical minority

Since the focus of our work is on a region inhabited by large historical minority, we should define first of all what an historical minority is and how it differs what we usually refer to as a minority. The term “historical minority” refers to a minority population that was part of a national or multinational state since its creation. The members of these minorities have a language and/or culture or religion of their own, and often they became minorities after international borders were re-drawn and their area of settlement changed from sovereignty<sup>21</sup>. As we can see, their background is

<sup>21</sup> Medda-Windischer, Roberta. Historical Minorities and Migrants: Foes or Allies? Edited by Open Society Institute. New York, 2009.



very different from that of new minority groups, which are formed by the decision of individuals to leave their original homeland and emigrate to another country for economic or political reasons. Differences can be found also in the way that the two groups of minorities react to the dominant society: immigrants usually tend to integrate in the host society unlike historical minorities whose cultural traditions pre-date the establishment of the state of which they now find themselves citizens<sup>22</sup>. Also, the claims of historical minorities are not only those concerning equal treatment of their members and preservation of their identities, but their main aim is that of guaranteeing their members' participation in public life with measures of territorial or non-territorial autonomy<sup>23</sup>.

After this short analysis of what an historical minority is, we can affirm that the Italian and Slovene minorities that live on the other side of the border that separates Italy from Slovenia can be rightly considered historical minorities, as they have settled in the area since the 6<sup>th</sup> century A.D.<sup>24</sup>.

## **1.6 – Cross-border cooperation in the European Union**

The Regional policy of the European Union dates back to 1957, when it was written in the Treaty of Rome that the harmonious development of member states is necessary. Even though, for obvious reasons, the tools of the policy changed, the goal has stayed

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<sup>22</sup> Ibid.

<sup>23</sup> Ibid.

<sup>24</sup> When speaking of Italians and Slovenes and referring to the 6th century, the sense that is to be conveyed is that both groups are autochthonous in the area and are not the result of migrations, even though it wouldn't be exactly correct to speak about "Italians" and "Slovenes" as these are concepts that were created in the modern era when both nations were born.

the same, which is working towards a balanced and sustainable development of Europe's regions<sup>25</sup>.

Cross-border cooperation is part of the Regional policy of the EU and it aims at reducing disparities in the development of the different regions like the Regional policy. Its key objectives in particular are:

- To promote economic and social development in border areas
- To address common challenges
- To ensure efficient and secure borders
- To promote people-to-people cooperation<sup>26</sup>

These objectives have the specific aim of reaching the integration of borderlands to realise the idea of a Europe without frontiers: a real united Europe.

After the two most recent enlargements of 2004 and 2007 the role of cross-border cooperation increased even more: if the border regions were only 39,1% of the whole territory of the Union within the EU 15, with the EU 27 this number has now increased to 66,1%<sup>27</sup>.

A cross-border cooperation has to match different factors to be a successful one. First of all, it has to involve factors from the everyday life like business life, employment, leisure, culture, etc. It also has to be a process that involves every territory and social group on both side of the border and, last but not least, it has to appear at every level of public administration<sup>28</sup>.

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<sup>25</sup> Olajos, Orsolya Agnes. Op.Cit.

<sup>26</sup> Cross-Border Cooperation within the European Neighbourhood and Partnership instrument (ENPI), available at [http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/index\\_en.htm](http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-cross-border/index_en.htm) [accessed on 2<sup>nd</sup> of April 2012]

<sup>27</sup> Olajos, Orsolya Agnes. Op.Cit.

<sup>28</sup> Ibid.

On a financial level, the cross-border cooperation is supported by the European Union in different ways: the candidates get support from the Phare CBC programme, while the member states are provided sources from the INTERREG programme.

The Phare CBC could be described as a preparation instrument for the INTERREG cross-border cooperation programme. It is one of the three pre-accession instruments financed by the European Union to assist the applicant countries of Central and Eastern Europe, and indeed it was originally created to assist Poland and Hungary in 1989<sup>29</sup>. After Copenhagen Council's invitation to Central and Eastern European countries to apply for membership, Phare programme was redirected to fulfilling this aim. Phare's objectives are:

- Strengthening public administrations and institutions to function effectively inside the European Union;
- Promoting convergence with the European Union's extensive legislation (the *acquis communautaire*) and reduce the need for transition periods;
- Promoting economic and social cohesion.<sup>30</sup>

The INTERREG initiative was started in 1989 with the aim of fostering the cooperation between member states of the European Union on many levels to strengthen economic and social cohesion by supporting a balanced development of the European continent through cross-border, transnational and interregional cooperation<sup>31</sup>. The table underneath summarises basic information about the INTERREG programme.

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<sup>29</sup> Phare Programme, available at [http://ec.europa.eu/enlargement/how-does-it-work/financial-assistance/phare/index\\_en.htm](http://ec.europa.eu/enlargement/how-does-it-work/financial-assistance/phare/index_en.htm) [accessed 1st April 2012]

<sup>30</sup> Ibid.

<sup>31</sup> Ibid.

**Table 1.1**

	Period	Strands	Budget
INTERREG I	1990-1993	Only border areas	1,1 billion EUR
INTERREG II	1994 - 1999	A: cross-border cooperation B: Completion of energy networks C: Cooperation in the area of regional planning	3, 6 billion EUR
INTERREG III	2000-2006	A: cross-border cooperation B: transnational cooperation C: interregional cooperation	5,8 billion EUR
INTERREG IV European Territorial Cooperation Objective	2007-2013	1: cross-border cooperation 2: transnational cooperation 3: interregional cooperation	6,44 billion EUR

*Source: own edition, based on the EX-POST Evaluation of INTERREG 2000-2006 initiative*

As we can see from the table above, since its creation in 1989 the INTERREG programme has had four editions, the last one being the current edition at this time.

We can also notice that the programme is made up of three strands: A, B and C:

- Strand A is the biggest strand in terms of budget and number of programs and it focuses on cross-border cooperation and it promotes cooperation between adjacent regions with the aim of fostering cross-border cooperation;
- Strand B focuses on transnational cooperation and its aim is to promote a better integration through the formation of large groups of European regions.

- Strand C is the newest of the three strands and it focuses on improving the regional development through information exchange and networking.<sup>32</sup>

The Italo-Slovenian cross-border cooperation that we are focusing on is part of INTERREG III strand A, and we will analyse this programme more in depth later on.

### **1.7 – A few words on the cohesion policy of 2000-2006**

Since we will focus on the INTERREG III A programme for the years 2000-2006, it's worth spending a few words to set those specific years in the context of the cohesion policy. The cohesion policy of 2000-2006 was directly influenced by the circumstances that the EU was going through at the time the policy was formulated. First of all, there were no certainties about the next enlargement of the Union, so as a consequence the focus was on the 15 member states. Secondly, the main concern at the time was the high level of unemployment that followed the recession of the early 1990's: it was a major issue during the Luxembourg job summit in 1997 for example, and at the Lisbon summit of 2000<sup>33</sup>.

The following EU enlargement intensified the competition that globalisation already brought on, but it also offered the opportunity to relocate labour activities to low-wage countries that were closer compared to countries in South-East Asia<sup>34</sup>. The downside

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<sup>32</sup> Interreg III: The Strands A, B, C and the programmes [online] available at [http://ec.europa.eu/regional\\_policy/archive/interreg3/abc/abc\\_en.htm](http://ec.europa.eu/regional_policy/archive/interreg3/abc/abc_en.htm) [accessed on 2nd of April 2012]

<sup>33</sup> *Ex-Post Evaluation of Cohesion Policy Programmes 2000-06 financed by the European Regional Development Fund in Objective 1 and 2 Regions, Synthesis Report*. Issued by the European Commission in March 2010

<sup>34</sup> Ibid.

of the enlargement was of course an influx of workers from the new member states. The policy over that period was to strengthen economic and social cohesion, but there was a major dilemma about how the structural funds should be deployed to achieve a more spatial distribution of economic activity: it was a decision about whether the resources should be concentrated in areas that had the highest potential for growth or spread across the region<sup>35</sup>.

The regional dimension of the cohesion policy in about reducing disparities between regions, and its conducted through the ERDF (European Regional Development Fund) and it was divided into Objective 1 and 2, which were related to different groups of European regions. More than a quarter of the population of the EU 15 received Objective 1 funding over the 2000-2006 period, while the other 21% received Objective 2 funding<sup>36</sup> (Table 1.2). In the EU 10 countries all the regions were eligible for the Objective 1 funding except Prague, Cyprus and Bratislava, in which 30% of the population received Objective 2 fundings<sup>37</sup>.

**Table 1.2**

	Objective 1	Objective 2
BE	12.3	14.3
DK		12.5
DE	17.9	
IE	100.0	
GR	100.0	
ES	58.7	21.5

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<sup>35</sup> Ibid.

<sup>36</sup> Ibid.

<sup>37</sup> Ibid.

FR	4.7	33.9
IT	33.4	14.9
LU		25.6
NL	2.2	18.1
AT	3.4	28.8
PT	100.0	
FI	19.8	32.6
SE	10.6	15.8
UK	11.9	27.3
EU15	26.0	21.9
CY		28.7
CZ	96.4	3.6
SK	96.7	3.3
EU10	95.4	4.6
EU25	37.2	21.1

*Source: own edition based on the EX-POST Evaluation of INTERREG 2000-2006 initiative*

The structural funds allocated to Objective 1 and 2 amounted to a total of 185.5 billion euros in the 2000-2006. The table below shows in detail the total funding going to Objective 1 and 2 regions in the period 2000-2006.

The ERDF was the largest fund that contributed with 17.5 billion euros a year, directed mostly to EU15 countries (92.5% of the ERDF) and to the Objective 1 regions in particular (81% in the EU15 and almost 99% in the EU10). The funding also varied according to the population size of each country and also the level of GDP per head in their regions (the regions supported were those with a GDP per head of less than 75% of the EU average at the time the eligibility was determined)<sup>38</sup> (Table 1.3)

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<sup>38</sup> *Ex-Post Evaluation of INTERREG 2000-2006 Initiative Financed by the European Regional Development Fund, Evaluation Report on the Italy-Slovenia Programme*, elaborated by Mojca Hrabar, OIKOS, svetovanje za razvoj d.o.o, Slovenia

**Table 1.3**

	ERDF Allocation			ERDF Expenditure		
	Objective 1	Objective 2	Total	Objective 1	Objective 2	Total
AT	181.5	706.0	887.5	161.5	623.8	785.3
BE	427.6	416.3	843.9	377.9	342.1	720.0
DE	12,177.0	3,251.6	15,428.6	11,199.7	2,908.9	14,108.6
DK		141.6	141.6		125.1	125.1
ES	25,358.5	2,553.6	27,912.1	22,189.4	2,070.1	24,259.5
FI	498.6	412.2	910.8	470.1	392.6	862.7
FR	2,466.2	5,702.7	8,168.9	2,122.2	5,129.8	7,252.0
GR	15,152.5		15,152.5	13,580.6		13,580.6
IE	1,946.3		1,946.3	1,810.4		1,810.4
IT	15,918.1	2,721.0	18,639.1	13,919.6	2,464.5	16,384.1
LU		44.0	44.0		40.4	40.4
NL	81.7	859.0	940.7	77.6	685.2	762.9
PT	13,229.8		13,229.8	11,717.9		11,717.9
SE	489.5	386.0	875.4	432.3	368.4	800.7
UK	3,970.1	4,526.1	8,496.2	3,447.7	3,785.7	7,233.4
<b>EU15</b>	<b>91,897.5</b>	<b>21,720.1</b>	<b>113,617.6</b>	<b>81,506.7</b>	<b>18,936.8</b>	<b>100,443.5</b>
CY		28.0	28.0		22.5	22.5
CZ	914.3	71.3	985.6	781.3	54.0	835.3
EE	232.8		232.8	203.6		203.6
HU	1,239.4		1,239.4	1,212.1		1,212.1
LT	583.9		583.9	567.3		567.3
LV	382.0		382.0	343.6		343.6
MT	46.7		46.7	39.0		39.0
PL	4,972.8		4,972.8	4,198.3		4,198.3
SI	136.5		136.5	123.8		123.8
SK	573.6	37.0	610.6	465.1	31.6	496.6
<b>EU10</b>	<b>9,082.0</b>	<b>136.4</b>	<b>9,218.4</b>	<b>7,934.1</b>	<b>108.0</b>	<b>8,042.1</b>
<b>EU25</b>	<b>100,979.5</b>	<b>21,856.4</b>	<b>122,836.0</b>	<b>89,440.8</b>	<b>19,044.8</b>	<b>108,485.6</b>

Source: own edition, based on the EX-POST Evaluation of INTERREG 2000-2006 initiative

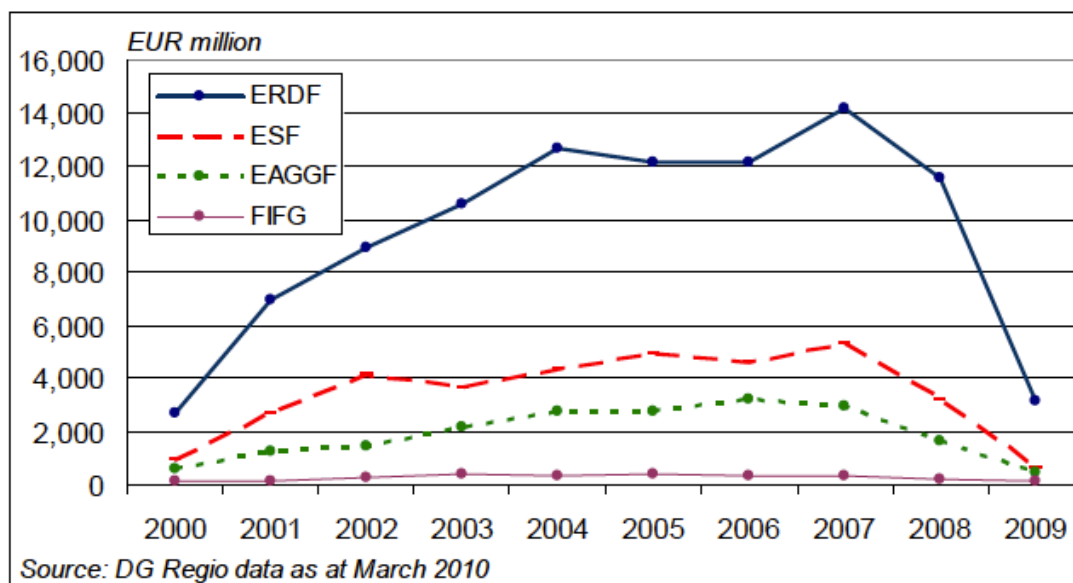
As for the what the time of expenditure is concerned, it wasn't spread evenly but instead it built up slowly and turned out higher towards the end of the programme, the reason being the time that was needed to select the projects and have them agreed in a number of countries<sup>39</sup>.

The peak year for Objective 1 was 2007 (Figure 1.5), while it was 2004 for Objective two (figure 1.6). The Figures below show the payments made by the European Commission in response to member states requests.

<sup>39</sup> Ibid.

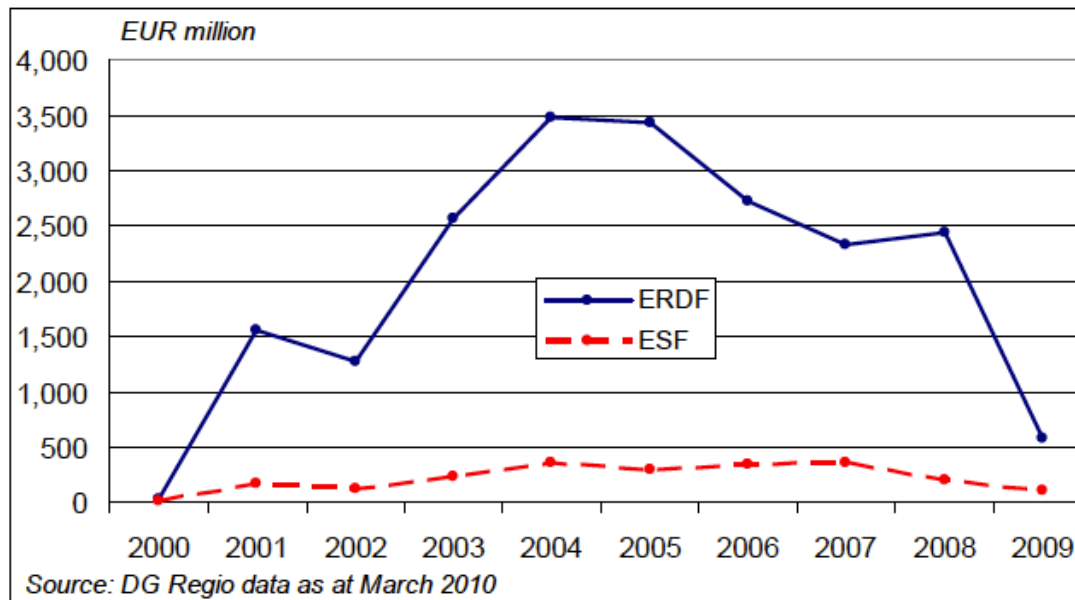


**Figure 1.5 Payments from the Structural Funds under Objective 1, 2000-2009**



Source: EX-POST Evaluation of INTERREG 2000-2006 initiative

**Figure 1.6 Payments from the Structural Funds under Objective 2, 2000-2009**



Source: EX-POST Evaluation of INTERREG 2000-2006 initiative

In conclusion, we can give a snapshot of the achievements of the cohesion policy for the years 2000-2006. The European Commission claims this policy increased the income in the poorest regions: the GDP per capita in the Objective 1 regions grew from an average of 66% in 2000 to an average of 71% in 2006. Moreover, 1.4 million jobs were created, and financial support was given to 230,000 SMEs<sup>40</sup>.

## **CHAPTER 2**

### **SETTING THE CONTEXT**

#### **2.1 – History of the cross-border cooperation in the area**

The cross-border cooperation on the Italo-Slovenian border started long before the INTERREG programme was established. The Osimo agreements could be seen as precursors of cross-border cooperation: signed in 1975 and ratified in 1977, they promoted an economic cooperation between Italy and the former Yugoslavia, a protocol on free trade zone, provisions for easier cross-border migration (of which

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<sup>40</sup> Impacts and Results of Cohesion Policy, available at [http://ec.europa.eu/regional\\_policy/archive/policy/impact/index\\_en.htm](http://ec.europa.eu/regional_policy/archive/policy/impact/index_en.htm) [accessed on 1st of April 2012]

around 230.000 people beneficiated in Slovenia and 500.000 in Italy<sup>41</sup>) and protection on minority rights. Twelve bilateral committees were formed and some of them are still working today, like the Committee for Protection of Adriatic Sea for example, that is still existing today and that turned into a trilateral cooperation together with Slovenia and Croatia<sup>42</sup>. Local initiatives have also been set in the 1970's, such as "Odprta Meja – Confine Aperto", consisting of a day of activities along Val Rosandra and dolina Glinščice that allowed free movement across the border<sup>43</sup>, and the Working Community Alpe-Adria, perhaps the most famous of the local cooperations: created in 1978, it united countries with different ideological and political backgrounds, and it contributed to the formation of the new states that replaced the former Yugoslavia<sup>44</sup>. Its importance is recognised nowadays as well, as the language, historical and cultural diversities of its members contribute a lot to the European integration in a neuralgic part of the continent.

In 1995 Italy and Slovenia established cooperation in the INTERREG IIA – Phare CBC programme for the years 1995-1995, and the decision to complement the programme with Phare was based on the will to approach the external borders of the European Union. The programme that followed, for the years 2000-2006, provided great support during the delicate moment of the enlargement of the EU and the transition from the Phare to the ERDF procedures.

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<sup>41</sup> *Ex-Post Evaluation of INTERREG 2000-2006 Initiative Financed by the European Regional Development Fund, Evaluation Report on the Italy-Slovenia Programme*, Op. Cit.

<sup>42</sup> Ibid.

<sup>43</sup> Ibid.

<sup>44</sup> Hellwig, Valentin. *Strategies and Perspectives of the Alps-Adriatic Working Community*, available at <http://www.alpeadria.org/italiano/index.php?page=595301927&f=1&i=595301927> [accessed on 25th of March 2012]

## 2.2 – Economical and infrastructural characteristics of the programme area

At an even purchasing power, the GDP per capita of Friuli Venezia-Giulia is more than 26.000 EUR, with an employment and unemployment rate respectively of 62% and 3,7%. Data concerning Slovenia show a GDP that is slightly below 16.000 EUR pro capita and an employment and unemployment rate of 63.4% and 6.3%<sup>45</sup>. Despite the fact that the global employment rate of the area is 20% lower than the Lisbon standards, the unemployment rate of the border area appears even lower to the national and European one.

The majority of the cross-border workers are young (under 30) males, with a specific formation in the primary and secondary sector and a permanent work contract<sup>46</sup>. Most of these workers are attracted by the Italian urban centres like Gorizia and Trieste.

The production of energy and the level of consumption of the area are above the national average. Especially if we consider the Slovenian side: indeed Slovenia produces more renewable energy of the EU 15 or EU 25 average.

Tourism is well developed and managed in an efficient way if compared to the national systems, but there is still space for improvement.

As far as the import-export activity is concerned, the total amount of goods exchanged places Italy at the second place as Slovenia's commercial partner after Germany. The Italian goods that are exported to Slovenia are mainly machinery, electrical equipment, IT technology, textiles and clothing. From Slovenia, Italy imports mainly commercial machinery, metallurgical goods and electrical equipment<sup>47</sup>.

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<sup>45</sup> Del Bianco, Daniele. *Welfare Transfrontaliero per la Vita Quotidiana. Modello di Sviluppo Locale per le Regioni di Confine. Il Caso dell'Area Transfrontaliera Italo-Slovena*. Università degli Studi di Trieste.

<sup>46</sup> Ibid.

<sup>47</sup> Ibid.

Entrepreneurial activity is developed the most in the provinces of Udine and Pordenone, and in the Slovenian statistical regions of Obalno-kraška and Goriška. The provinces of Gorizia and Trieste are characterised by a well-developed tertiary sector even though the shipyard Fincantieri in Monfalcone (Gorizia) represent the most important company in the whole cross-border area with regard to the heavy industry.

As far as education and human resources are concerned, the expenditure for research and development of the cross-border area is 1% of the GDP and the percentage of Slovenian citizens with a high school diploma is even higher than that of Italy<sup>48</sup>.

The infrastructures are of a sufficient level even though they need further development: the road network, even if quite developed, is distributed heterogeneously on the territory; the railway is sufficient but doesn't stand a chance when compared to the road network in terms of speed, costs and reliability. Further development of the infrastructures is a priority for an optimal use of the Trans-European Corridor 5 Lyon – Turin – Trieste – Ljubljana – Kiev.

### **2.3 – Some of the factors characterising the INTERREG IIIA Italy-Slovenia programme**

As for the geographical aspect is concerned, the border between Italy and Slovenia is 235 km long: 175 km are across land, 31 km are across rivers and 29 are across the sea. There are also 76 road-border crossings and 1 rail-border crossing<sup>49</sup>. The border is characterised by high and low mountains in the North, between Gorizia and Nova Gorica. The border crossings are few and some of them have the characteristic of a mountain pass (like in the case of Predel/Predil), therefore for what the northern part of the border is concerned the accessibility across the border is weaker than the

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<sup>48</sup> Ibid.

<sup>49</sup> *Ex-Post Evaluation of INTERREG 2000-2006 Initiative Financed by the European Regional Development Fund, Evaluation Report on the Italy-Slovenia Programme*, Op. Cit.

average of INTERREG A programmes. The southern border however is characterised by urban centres along it, which are gradually merging together. It's the case of Gorizia and Nova Gorica; Sežana, Fernetiči/Fernetti and Opicina/Opčine; Hrvatini/Crevatini and Muggia/Milje.

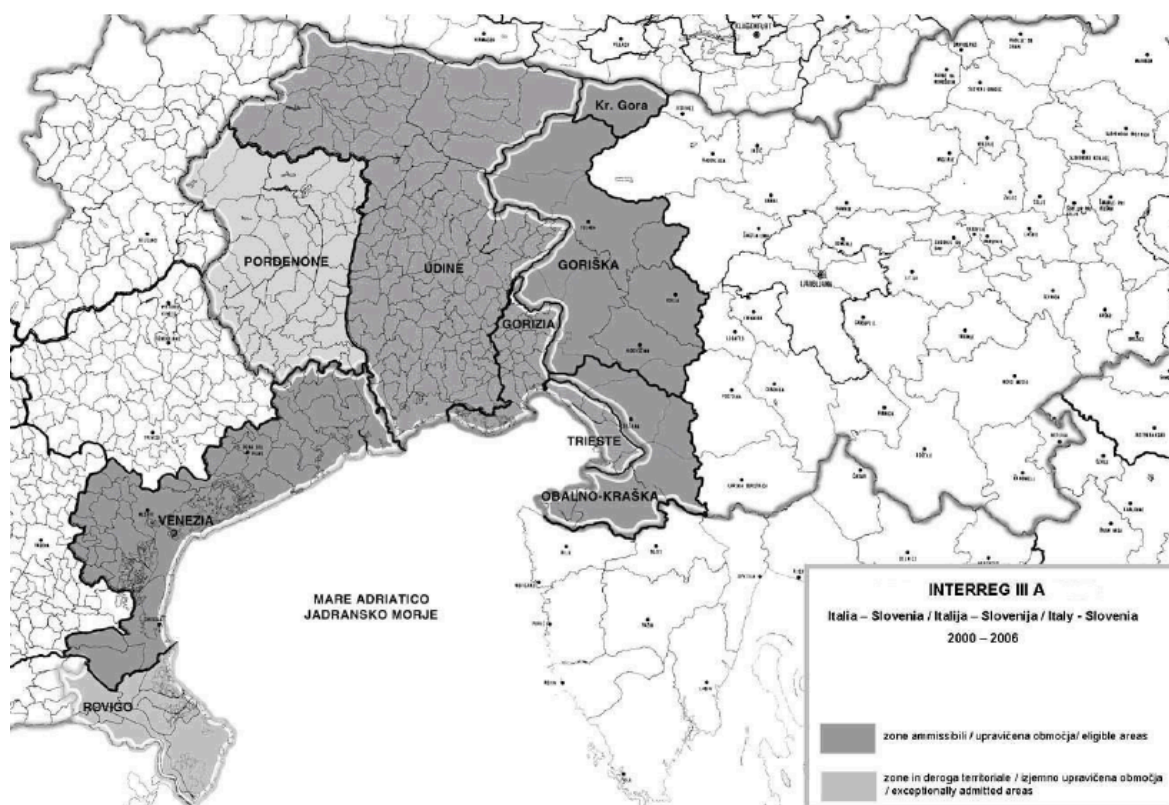
The programme area is regarded as one with historic ties but different culture and language. The historic ties were much stronger in the past, under Venetian dominance up until the 18<sup>th</sup> century and then under Austro-Hungarian rule until 1918. With the Treaty of Versailles most of the programme area was annexed to Italy and sadly from that moment on the ties that existed for centuries started degrading. The historic ties of the programme area, however, will be extensively analysed in the next chapter.

Minorities (Slovenian minority in Italy and Italian minority in Slovenia) play an important role in the area in relation to the cultural and linguistic exchange, and thanks to their bilingualism they are a powerful tool to foster the cross-border cooperation.

As for the economic factor is concerned, the economic disparities are quite higher than the average of INTERREG IIIA, although they are gradually decreasing as Slovenia catches up economically.

There are also differences in administrative organisation that greatly influenced the programme: the two Italian regions of Friuli-Venezia Giulia and Veneto have a regional government and administration, while their Slovenian counterparts (Goriška and Obalno-Kraška) are just statistical units on the NUTS III level. Moreover, municipalities differ in size and power, and this factor can influence negatively the level of cooperation.

**Figure 2.1**



*Source: Community Initiative Programme INTERREG IIIA Italy-Slovenia 2000-2006*

## 2.4 – Intensity of territorial cooperation

To measure the intensity of cooperation we will utilise a synthetic indicator that was created to analyse this particular variable, and it is composed of several elements: intensity of shared diagnosis, partnership and decision-making power, management structures, nature and location of joint projects and impact of projects. All these elements combine together in the so-called “real rate”<sup>50</sup>, which measures the performance of an INTERREG programme. The real rate for the INTERREG IIIA Italy-Slovenia programme is 32,91 as shown in the table below.

<sup>50</sup> Ibid.

**Table 2.1**

<i>Criteria</i>	<i>Criterion average</i>
<b>1. Criterion: joint identification of needs</b>	<b>141</b>
<b>2. Criterion: governance and partnership</b>	<b>183</b>
<b>3. Criterion: nature and location of joint projects</b>	<b>185</b>
<b>4. Criterion: density of common actions</b>	<b>532</b>
<b>5. Criterion: impact of projects</b>	<b>68</b>
<b>Real Rate</b>	<b>32,91</b>

*Source: own edition, based on the EX-POST Evaluation of INTERREG 2000-2006 initiative*

According to the ex-post evaluation of the INTERREG 2000-2006 commissioned by the European Commission, the Italy-Slovenia programme was put into the “cluster 5”, that comprehends programmes with less favourable cross-border conditions and where the intensity of cooperation is very low or low. If we compare the real rate of the Italy-Slovenia programme with that of the other programmes that are included in cluster 5 and with the mean of strand A, we will see that the programme is clearly underperforming, as shown in the table below.

**Table 2.2 Comparison of the Italy-Slovenia real rate with that of the cluster**

<i>Programme Name</i>	<i>Real Rate</i>
D-DK Fyn – KERN	78,51
I – Albania	76,56
Gibraltar – Morocco	73,07
FIN – RUS Karelia	71,31
Italy - Adriatics	69,84
D – PL Saxony – Poland	61,38



Poland – Ukraine - Belarus	59,93
Czech Republic – Poland	59,34
Lithuania – Poland – Russia	58,48
D – CZ Saxony – Czech Republic	55,48
Hungary – Slovakia - Ukraine	53,05
Slovenia – Hungary - Croatia	49,23
Hungary – Romania – Serbia&Montenegro	35,03
E – MRC Spain - Morocco	33,46
<b>Italy – Slovenia</b>	<b>32,91</b>
Poland - Slovakia	31,82
<b>Mean of Strand A</b>	<b>72,03</b>

*Source: own edition, based on the EX-POST Evaluation of INTERREG 2000-2006 initiative*

As we can see, the Italy-Slovenia programme is the penultimate in the cluster, and only the Poland-Slovakia programme has a lower real rate in the cluster (31,82). If we consider all the strands (A, B and C) the three other programmes that have a real rate that is lower than 50 are Spain – Morocco with a rate of 33,46, Hungary – Romania – Serbia & Montenegro with a rate of 35,031 and Slovenia – Hungary – Croatia scoring just under 50 with a real rate of 49,23. What we can draw from table above and from the analysis through the synthetic indicator is that the Italy – Slovenia programme is underperforming not only within its cluster but also among all the INTERREG IIIA programmes. Even though the synthetic indicator is a very good tool for the evaluation of the performance of a programme, it doesn't really capture the change that the programme underwent, as Slovenia entered the EU halfway through the programme and the funding was a combination of PHARE and ERDF.

## 2.5 – Historical background

The cohabitation of Slovenes and Italians on the area that is today the border between Italy and Slovenia can be traced back to the 6<sup>th</sup> century, when a Slavic population settled in the Upper Adriatic area together with the Romanised autochthonous population. They began developing a tribal society that was based in Karantanija (today's Carinthia) and they were thus called "Karantaci"<sup>51</sup>. After the 1335 it was the Habsburgs who ruled over the Slovene territories, and during the Middle Ages the Slovene regions that we know today developed: Carinthia in the north, Styria in the east, Carniola in the central and southern area and Gorizia, Trieste, and Istria in the west. By the end of the 13<sup>th</sup> century a new power entered the game: The Venetian Republic conquered the western coast of the Adriatic and the towns of Istria, which will stay in its possession until its fall in 1797. Under Venetian influence the coastal cities acquired a typical Venetian identity, language (the Venetian dialect) and culture. Even after the fall of the Republic following Napoleon's intervention and the Habsburg rule in the 19<sup>th</sup> century the use of Slovenian language in education was allowed, even though the settlements along the coast remained Italian speaking.

In 1915, during World War I, Italy secretly signed the London Pact which ensured it large part of the Slovene territory (the Primorska littoral, Carniola, Istria and Dalmatia) in exchange of joining the Triple Entente. The Slovene nationalist movement tried in vain to demand a union with the Croatian and Serbian provinces of the Habsburg monarchy, but it was impossible to reach an agreement to create an independent state within its borders, and at the end of the First World War the Kingdom of Serbs, Croats and Slovenes (that changed its name into the Kingdom of Yugoslavia in 1929) was

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<sup>51</sup> *Regions, Minorities and European Policies: A State of the Art Report on the Italian Minority in Slovenia*, by EUROREG and the Centre for Cultural and Religious Studies of the University of Ljubljana, May 2005

formed under pressure of Italy and demand of Serbs for unification. At the 1919 Peace Conference both Italy and the Kingdom of Serbs, Croats and Slovenes presented their claims to the region of Julian March (*Venezia Giulia* in Italian), and in 1920 the Treaty of Rapallo granted a third of today's Slovenia (and a quarter of the population) to Italy, contributing to the country's "sense of cultural peril" that still persist today<sup>52</sup>. We should mention that the Rapallo Treaty was particularly unfair, as it required Yugoslavia to protect its Italian minority, but didn't demand the same treatment for the Slavic population living in the Kingdom of Italy, that again contributed to Slovenia's sense of powerlessness in relation to the "Great Powers" surrounding it. Things were only to get worse for the Slovenian minority in Italy as the Fascist era began in the early 1920's, that was soon subjected to a brutal campaign of Italianisation that had the aim of consolidating Italy's geopolitical power over the territory<sup>53</sup>. The collective memory of oppression from this period influenced the negative Slovene views of the Italian "other" as the Italian experience of the foibe massacres will influence the negative views of the Slovenes and Croats. Fascist Italy invaded Yugoslavia in 1941 and successfully incorporated most of Dalmatia by 1942, as well as occupied most of Slovenia. All this though was put into question after Italy's capitulation: the partisans fighting under Tito started planning a way to get back Trieste and Istria, but the Nazi forces acted faster and seized the Julian March and Istria first, making them the Reich province of *Adriatisches Küstenland*. The province witnessed a harsh warfare, and the attacks coordinated by the Communist Slovene-Italian Liberation Front were so successful that the Nazi had to create the only extermination camp on Italian soil in Trieste, where around 3000-5000 people died<sup>54</sup>.

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<sup>52</sup> Ibid.

<sup>53</sup> Ibid.

<sup>54</sup> Ibid.

On May 1<sup>st</sup> 1945 The Yugoslav forces led by Tito liberated Trieste. It was in those chaotic days after the liberation that the contemporary Italian extremism toward the Slovenes took shape, during a period of consolidation of the Yugoslav communist power of 42 days during which thousands of people were thrown to their deaths in the Karst *foibe*, a word that describes a deep karst sinkhole that has from that moment taken on a symbolic meaning. Moreover, an estimated 350.000 people belonging to the Italophone population of Istria and the Slovene littoral embarked on an exodus that resulted in a huge change in the region's ethnic composition. On the other side of the border, the land belonging to the Slovenophone population was expropriated to the exiles' benefit, contributing to hostilities between the two ethnicities<sup>55</sup>.

The tragedy of the foibe killings and of the 42 days has haunted the collective memory of the area ever since, and the obsessive remembering by the Triestine right-wing became harshly opposed to the "forgetting" that was taking place in the rest of Italy, surely as an attempt to recover in the post-war era, but also as a conscious lapse of memory that regarded the whole Fascist era, and this exclusion of a mutual culpability had had obviously many political inclinations<sup>56</sup>.

As the city was of strategic importance for trade with Central Europe, the so-called Free Territory of Trieste was created in 1947, an area of 738 km<sup>2</sup> starting from Duino/Devin and ending in Cittanova/Novigrad. This area was also divided into two zones: zone A, which consisted of the port city and a coastal strip that reached the city of Moggia/Milje, and zone B. The intention was that of cooling down the territorial claims between Italy and Slovenia, considering the strategic importance of the area. But eventually in 1947 the territory was divided between the two contestants, and since Italy got what it wanted, it agreed to sign minority protection agreements with both

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<sup>55</sup> Ibid.

<sup>56</sup> Ibid.

Yugoslavia and Austria, even though it didn't really implement the full-extent of these agreements to the Slavophone minority for a number of reasons: its victor and moral status opposed to communist Yugoslavia; its refuse to accept culpability for the loss of Italophones communities in Istria and its lack of experience with minority protection issues and Yugoslavia's lack of initiative in internationalising the minority issue (as Austria did with South Tyrol)<sup>57</sup>.

The zonal demarcation of Trieste became the international boundary with the 1954 London Memorandum, the possibility of a free state quickly put aside by the polarisation of Europe. In the second half of the 1950s relations between Yugoslavia and Italy began to improve following the split between Belgrade and Moscow, and finally citizens were able to cross the border to visit relatives thanks to the signing of the bilateral agreements on the movement of borderland residents in 1955. In 1964 another major change helped normalizing the relations with the Slovenophone minority: Friuli-Venezia Giulia was granted its own regional parliament and autonomous status within the Italian Republic, due to its ethno-linguistic composition and the frontier-related problems it had to face and meaning "greater and more equitable Slovene participation in civic life stabilized, even if the effects were limited and transitory, and one can say that this fact [...] signalled the definitive exit of Triestine political life from the period of post-fascism"<sup>58</sup>.

The sovereignty *de jure* over the border was formalised in the 1975 Treaty of Osimo, which involved discussions on cross-border economical measures that due to the lack of interest among the political actors were never really set in place.

A fundamental change was seen in the late 1980's and early 1990's in the Italian politics, when a huge anti-communist coalition was formed between the Christian

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<sup>57</sup> Ibid.

<sup>58</sup> Ibid.

Democrats (DC) and the Socialists (PSI). When Slovenia seceded from Yugoslavia in 1991 many issues that seemed well settled resurfaced and the Italo-Slovene border became once again contested: apart from the issue of Slovenia's succession in treaties that were concluded with Italy, the main request of Italian politicians related to the properties that once belonged to Italians on the Slovene littoral and that were abandoned, and in particular they were requesting the recuperation of those territories or at least some sort of compensation.

The issues of property rights remained during the first Berlusconi administration, particularly because of Italy's insistence upon the harmonisation of property rights before signing the EU Association Agreement, getting even to the point of threatening Slovenia to veto its accession<sup>59</sup>. Even though these acts were regarded as a challenge to EU's enlargement policy, factions in Trieste supported this intransigence and caused further bitterness among inter-ethnic relations right when the two countries were to be brought finally closer by the European enlargement. Even though the majority within the Parliament passed a resolution in October 2011 demanding recognition of Slovenia, the extreme right kept pressing for a revision of the Osimo Treaty. Eventually Italy recognised Slovenia along with the other EU member states in the 16<sup>th</sup> of January 1992. Slovenia had to wait till 1996 to see its Association Agreement signed though, when Prodi administration came to power after Berlusconi's government collapse in 1994, which made also possible for the Spanish EU Presidency to find a compromise on the property-claims issue<sup>60</sup>. The final step for Slovenia was to amend its constitution to allow property to be purchased by non-citizens starting from the 1<sup>st</sup> of July 2003 that finally allowed it to become a member the following year.

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<sup>59</sup> Ibid.

<sup>60</sup> Ibid.

## PART II

### A FINANCIAL ANALYSIS OF THE ITALY-SLOVENIA INTERREG IIIA PROGRAMME AND THE ASSESMENT OF ITS ACHIEVEMENTS

## **CHAPTER 1**

### **ANALYSIS OF THE RESULTS AND IMPACTS**

The INTERREG IIIA Italy – Slovenia 2000-2006 comprised the regions of Friuli – Venezia Giulia and Veneto in Italy and Obalno-kraška and Goriška regions in Slovenia. The peculiarity of this programme in comparison with the others is that in its first four years (2000-2004) a funding being a combination of ERDF and Phare, as Slovenia wasn't a member of the EU yet. Indeed, the projects on the Slovenian side were financed with donation schemes and Small Project Funds, while the projects on the Italian side were founded through “regia regionale”, a regional distribution of funds through direct funding which proved to be one of the programme weaknesses as each region chose projects that were beneficial for the development of a small area rather than of a whole region. At the end of 2004 a new Programme Complement was prepared and projects on both sides of the border were founded from ERDF. The priorities of the INTERREG IIIA Slovenia – Italy programme are the followings<sup>61</sup>:

#### **1. Sustainable development of the cross-border area**

##### **Measures:**

1.1 Protection, preservation and development of the environment and the territory

1.2 Development and strengthening of cross-border organisations, infrastructures and networks

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<sup>61</sup> Community Initiative Programme of INTERREG IIIA Italy-Slovenia 2000-2006



## 2. Economic cooperation

### Measures:

2.1 Improvement in competitiveness and cooperation

2.2 Cross-border cooperation in tourism sector

2.3 Cross-border cooperation in the primary sector

## 3. Human resources, cooperation and systems

### Measures:

3.1 Human resources vocational training and retraining and innovative initiatives on the labour market

3.2 Cooperation in culture, communication and research and between institutions for the systems harmonisation

## 4. Special support for regions bordering candidate countries

### Measures:

4.1 Special support for regions bordering candidate countries

## 5. Support to cooperation

### Measures:

5.1 Technical assistance

5.2 Evaluation, information, publicity and cooperation

The largest share of expenditures is concentrated in priority 1 (sustainable development of the cross-border area) with a 44,84%, and priority 2 (economic cooperation) with a 29,97%.

As for the methodology is concerned, the evaluation has been carried out on the basis of official programme documents such as the Joint Programming Document, the Community Initiative Programme and the Programme Complement, as well as ex-post evaluations of the programme financed by the European Commission. We feel that by using only “institutional” sources we can maintain a certain degree of impartiality and therefore carry out an analysis as objective as possible.

## **1.1 – The financial implementation of the programme**

### **1.1.1 – Analysis of the intervention codes**

The data that has been used for the analysis is derived from a three-digit code level analysis, which enables to show how sectoral patterns of budgeting and expenditures differ from the average Interreg patterns, to what extent the targets have been achieved and in the case they were not achieved, why they weren't successful<sup>62</sup>. Through this kind of analysis is also possible to view the distribution of the codes and make a general comparison with other Interreg programmes.

In the whole Interreg III programme 94 codes were covered, the most frequent ones being those of technical assistance (monitoring/implementation, evaluation, studies and information belonging to the code 41 and rural development to the code 130) and non-physical investment in tourism (code 172), education (code 230), human resources (code 220) and basic infrastructure (codes 31-35). The Italy-Slovenia

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<sup>62</sup> *Ex-Post Evaluation of INTERREG 2000-2006 Initiative Financed by the European Regional Development Fund, Evaluation Report on the Italy-Slovenia Programme, Op.Cit.*

programme however covered only a few fields of intervention, as funds were given to only 12 codes. When we compare this element to other Interreg programmes we can see that most of the other programmes support a higher number of codes (the average is 35), so we can deduce that the general intention of the programme was that of deepening historical ties across the border. In the table below are shown the codes of intervention covered by the Italy-Slovenia programme (Table 1.1).

**Table 1.1**

<i><b>Code of intervention</b></i>	<i><b>Certified expenditure by MS (euro)</b></i>
130. Promoting the adaptation and the development of rural areas	2.721.379
161. Investment in physical capital (plant and equipment, co-financing of state aids)	2.811.686
172. Non-physical investments (development and provision of tourist services, sporting, cultural and leisure activities, heritage)	6.868.225
181. Research projects based in universities and research institutes	110.480
230. Developing educational and vocational training (persons, firms)	2.086.768
311. Rail	69.050
316. Waterways	4.667.922
318. Multimodal transports	372.870
321. Basic infrastructures	290.010
354. Maintenance and restoration of the cultural heritage	4.937.046
410. Technical assistance and innovative actions (ERDF, ESF, EAGGF, FIFG)	2.016.260
413. Studies	15.508.431
<b>Total</b>	<b>42.460.126</b>

*Source: own edition, based on the EX-POST Evaluation of INTERREG 2000-2006 initiative*

The major fields of intervention are the codes 413.Studies (a stunning 36,52% of the expenditures), 172.Non-physical investments (16,18%), 354.Maintenance and restoration of cultural heritage 11,63%), 316.Waterways (10,99%), 161.Investment in physical capital, etc.. Code 181.Research projects based in universities and research institutes and 311.Rail on the other hand have very little weight.

Let's move now onto the comparison these codes' expenditures to the average expenditures of the same codes in Interreg, in strand A and in the cluster to which the Italy-Slovenia belongs.

**Table 1.2**

<b>Fields of intervention</b>	<b>It-Sl: Code expenditure %</b>	<b>Interreg: Code expenditure %</b>	<b>Strand A: Code expenditure %</b>	<b>Cluster: Code expenditure %</b>
413. Studies	36,52	6,05	4,00	6,71
172. Non-physical investments	16,18	2,60	3,37	5,29
354. Maintenance and restoration of the cultural heritage	11,63	1,36	1,84	1,73
316. Waterways	10,99	0,87	1,13	1,45
161. Investment in physical capital	6,62	0,55	0,60	1,42
130. Promoting the adaptation and the development of rural areas	6,41	4,71	5,12	4,35
230. Developing educational and vocational training	4,91	1,59	1,83	2,44
410. Technical assistance and innovative actions	4,75	1,12	1,04	1,54
318. Multimodal Transport	0,88	1,03	1,08	3,20
321. Basic infrastructure	0,68	1,49	2,00	0,54
181. Research projects based in universities and research institutes	0,26	1,21	1,01	1,51
311. Rail	0,16	0,84	1,13	2,27

*Source: own edition, based on the EX-POST Evaluation of INTERREG 2000-2006 initiative*

As it can be seen from the table above the code 413 is highly present in the entire Interreg programme, including of course the Italy-Slovenia programme, as well as in the Strand A and in the cluster to which the programme belongs. Not only this code is highly presented, but it is also the most represented code (it score a surprising 36,52% in the Italy-Slovenia programme and 6,05 in the whole Interreg). Other codes such as 172, 354, 316, 161, 130, 230 and 410 are above the Interreg, Strand A and cluster expenditures.

To explain why the level of the code “Studies” is that high in the Italy-Slovenia programme there are two main answers. First of all the official explanation that the managing authority gave states that the intention was that of stimulating the analysis of the programme area as there’s no real experience in the matter of cross-border cooperation, and there’s a need of understanding of the advantages, faults and needs<sup>63</sup>. Secondly, as we already mentioned, the “regia regionale” that regulated the funding system in Italy enabled the regions to direct funds according to their needs, that obviously ended up being only their own and not those of the whole programme area of the whole cross-border cooperation, and as a result many studies that were financed were focused only on one of the regions.

If we compare the Italy-Slovenia programme to the Strand A programmes the most similar expenditures are those of code 130 and 318, and if we look at the cluster the situation is similar to that of Interreg: the code “Studies” is the most represented, whereas the codes “Non-physical investments” and “Promoting the adaptation and the development of rural areas” score a percentage of more than 4% when compared to the Interreg programme. To sum up, when comparing the codes of the cluster we can notice a heavy deviation of shares as in the full Interreg programme as well as in Strand A.

## **1.2 – Effectiveness of the programme**

In this chapter we will analyse the degree of achievement of the goals with the help of indicators that were formed at programme level. We will also try to elaborate a relevance check to show how the results that were achieved actually contributed to the achievement of the objectives of the programme.

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<sup>63</sup> Ibid.

As already mentioned Slovenia wasn't a member of the EU when the programme started in 2004, therefore the programme had to go through some changes, although the main priorities remained the same. Therefore, as far the analysis is concerned, understandably only Italian programmes were considered for the period 2000-2006, while on the Slovene side only programmes for the period 2004 and 2006 were reviewed.

As far as projects are concerned, three types were represented in the 2000-2006 Italy-Slovenia programme: joint, mirror and cooperation projects. Joint projects involved joint preparation, presentation and implementation of projects from all partners; mirror projects are parallel executions of projects on both sides of the border; cooperation projects consist in an active cross-border involvement in project implementation, for example through participation at seminars<sup>64</sup>. This is just a brief description of the types of projects that will be further explained in the next chapter.

Let us move onto the analysis of the achievement rate of the projects (Table 1 of the Annex). First of all it must be noticed that the database that was used is from the 2007 annual report, so one year before the closure of commitments. Most of the interventions largely exceeded the estimated results, with the exception of measure 1.1, 1.2, 2.1 and 5.1. In particular measures 3.1 and 3.2 had stunning results with 537,67% and 904,17%. If we focus first on those measures that underperformed we can notice that the biggest gap between the planned and achieved rates can be found in the measure 2.1 Improvement in competitiveness and cooperation, which is quite interesting. The reasons for this big difference are mainly two: first of all the projects were joint and mirror projects that demanded a high level of cross border cooperation and were therefore more difficult to accomplish, let alone the fact that especially in the field of cross-border public transport the administrative barriers are difficult to

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<sup>64</sup> Ibid.

overcome<sup>65</sup>. Secondly, the eligible offerers were only non-profit organisations; therefore many projects that involved SME couldn't reach the expected results<sup>66</sup>.

As for the successful measures, 2.2 (cross-border cooperation in tourism) achieved 295% and 2.3 (cross-border cooperation in the primary sector) achieved 299%, which means that a strong cooperation in the primary sector was already in place and also already existing ties favoured the high results in this field. The high percentage in the field of cross-border cooperation in tourism doesn't come as a surprise, as many regions of the programme area are already strongly tourism-oriented (it's enough to mention the Obalno- Kraška region in Slovenia and the Veneto region in Italy) so that cooperation in this field was just logical.

The highest achieved rate was that of measure 3.2 (cooperation in culture, communication and research and between institutions for the systems harmonisation) with a 904,17% that was nine times higher than the rate planned in the Community Initiative Programme.

Summed up, if we compare the planned results and the results that have been actually achieved we will see that there's a huge spread between the results, which tells us that these results were not set realistically<sup>67</sup>.

To analyse the emphasis of the programme and see whether it puts a stress on tangible results or learning we are showing a comparison of the programmes that were chosen as good practice projects in the ex-post evaluation and see which ones were focused on learning and experimentation and which ones were focused on tangible results.

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<sup>65</sup> Ibid.

<sup>66</sup> Ibid.

<sup>67</sup> Ibid.

**Table 1.3**

<b>Project</b>	<b>Measure</b>	<b>L/E</b>	<b>TR</b>
Management and information centres in the protected territory of the eastern Alpine arc	1.1		✓
PALPIS –cross-border participative planning in areas of major naturalistic value in Southern Julian Alps	1.1	✓	
JEDIS- Joint Environmental Decision-support Information system	1.1	✓	
SIMIS- Integrated Monitoring System of the Isonzo river	1.2	✓	
CROSS V – corridor 5 development strategy with special attention to the track section between Italy and Slovenia	1.2	✓	
ITINERARI STORICI- Historical itineraries between the Karst and the Isonzo river	2.2		✓
TIPI-NET - Network of initiatives for the promotion of typical products between	2.3	✓	
SIGMA- Innovative systems for the shared management of the agri-environmental monitoring networks	2.3		✓
Flexible early childhood care services	3.1	✓	
Employment mediation – computer applications in a perspective of dialogue for development	3.1	✓	
PROMO- promoting mobility and protection of cross-border labour	3.1	✓	
Bio-agricultural management and control	3.1	✓	
Cross-border cooperation in the provision of healthcare services	3.2	✓	
Litoranea Veneta – Slovenian Coast	4.1	✓	
Coast to coast – turist/environmental and cultural promotion	1.1		✓
Lipica studfarm	1.1		✓
WELLGENE – Animal welfare and product quality	2.3	✓	
1001 pond – 1001 story of life	1.1		✓
MAPSHARING	1.1	✓	
ZATOK – A natural laboratory accessible to all	1.1		✓
TRANSLAND 2007 – sustainable territorial development	1.1	✓	
MIN-TOUR – Minorities and tourism	2.2		✓
The Karst district	1.1	✓	
Tourism without borders	2.2	✓	
AGROMIN – Minorities agriculture	2.3	✓	
VALO-PT – Development and enhancement of typical products	2.3	✓	
SABOTIN – Cross-border tourism within reach	2.2		✓



LAND ART & WINE	2.2	✓	
<b>Together</b>		<b>20</b>	<b>10</b>

*Source: own edition, based on the EX-POST Evaluation of INTERREG 2000-2006 initiative. Keys: L/E – learning and experimentation, TR- tangible results*

As it's easy to see from the table, the majority of good practice projects put more emphasis on learning and experimentation, even though it's difficult to say if that was the intended result or if it was just a side effect. On the basis of the achieved results it can be said that the preparation of the programme was not good enough, and the reason for that could be a shortage of time that is needed for more complex processes.<sup>68</sup> Indeed in the first four years of the programme the fact that Slovenia was using PHARE funding meant that the programme was much smaller in terms of size and values and because of that the participants played less of an active role (which meant also less cooperation). In the period 2004-2006 on the other hand a more active cooperation was required, and joint projects were introduced for the first time. All these changes represented a big step forward, probably too big. But not everything about the implementation of the programme was negative. One of the positive outcomes was the high number of beneficiaries involved, more than 1000. The reason for that is the high number of project that was under the Small Project Funds, which could be described as people-to people projects that brought the EU closer to people. Another major outcome was the involvement of minorities, which played an active role in overcoming the existing language problems. It was indeed the projects with minorities that “broke the ice” of cooperation at the beginning of the programme, and since it was so successful it was then integrated also into other cross-border programmes (for example the Slovenia-Croatia programme)<sup>69</sup>.

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<sup>68</sup> Ibid.

<sup>69</sup> Ibid.

Unfortunately the possible learning effects and transmission of networking weren't researched, since it's common belief that it's a variable that is hard to capture from programme documents, evaluation reports and research methods in general, even though the networking and learning effect were one of the strongest results of the programme according to the authorities.<sup>70</sup>

As for the level of achieved complexity is concerned, most of the programmes were of a learning nature, the experience among partners was rather low and the previous ties were quite weak, that's why most of the projects consisted of separate activities on both side of the border. We also have to keep in mind that in the period 2000-2004 the value of funds was very low, therefore a real level of complexity wasn't possible. Things changed slightly in the period 2004-2006 when joint projects were introduced, even though tangible results were reached only in some of them, for example in case of cross-border tourism infrastructure projects where a high level of cooperation and complexity was reached (see table 2 of the Annex).

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<sup>70</sup> Ibid.

## **CHAPTER 2**

### **EVALUATION OF PROJECTS**

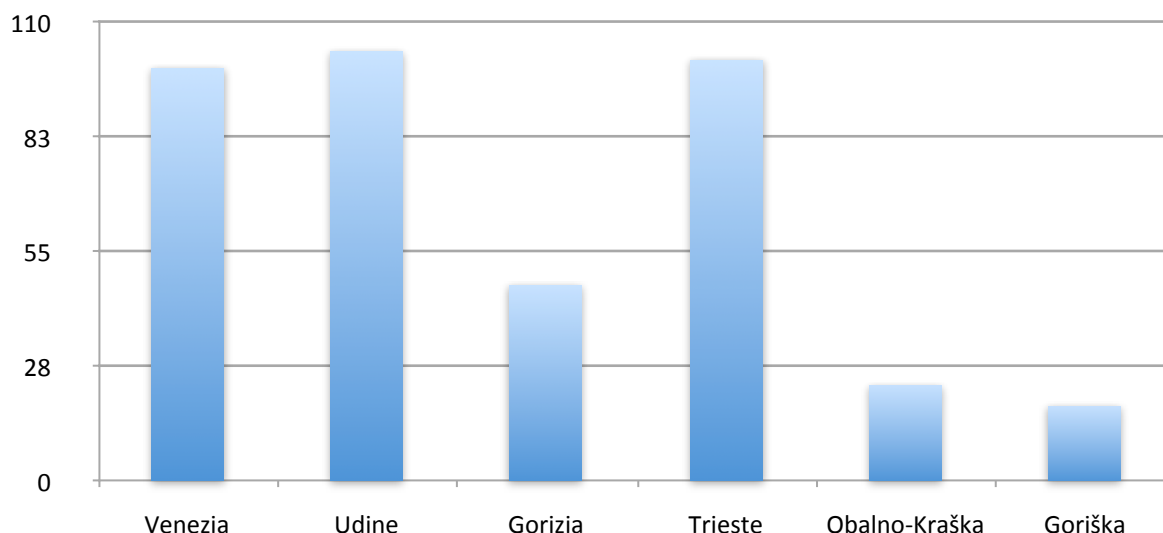
A further step in the evaluation will be now taken and an analysis at project level will be carried out in this chapter. As the number of projects is huge and an evaluation of each of them would be impossible in so little space, a number of projects were selected that would match two criteria: the covering of the priority topics that were set for INTERREG III Strand A and the availability of sources and documents. The projects that were chose are:

- 1001 Ponds – 1001 The story of life
- Artists from two Minorities
- Functional Adjustment of Ferneti Traffic Centre, in keeping with the new customs provisions, with special regard to the setting up of Ferneti – Sežana Logistic Platform at the time of Slovenian entry into the European Union
- VALO-PT – Development and enhancement of typical products in the cross-border area
- Bio-agricultural management and control

Before looking at the projects into detail in the next subchapter we will analyse the general character of the projects, their geographical distribution and their degree of networking.

## 2.1 – General characters

**Figure 2.1 – regional distribution of projects for 2004-2006 period**



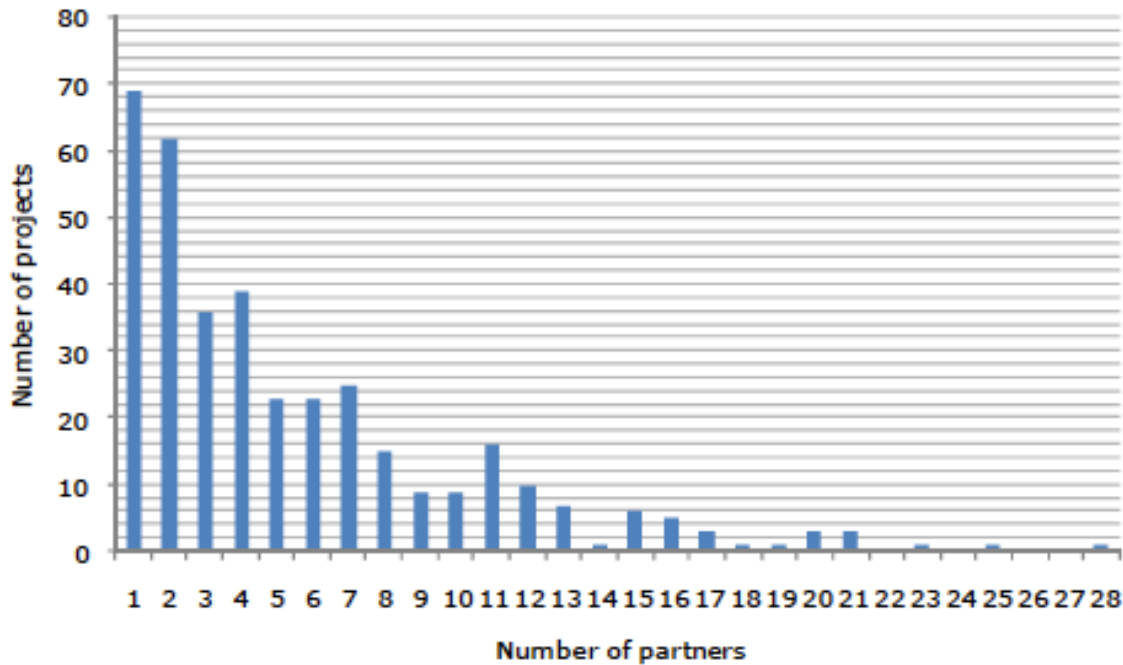
*Source: own edition, based on the EX-POST Evaluation of INTERREG 2000-2006 initiative*

The graph above shows the regional distribution of projects from the point of view of applicants. The results show few initiatives in Obalno-Kraška and Goriška regions in Slovenia, with respectively 23 and 18 initiatives, while the number of initiatives for the Italian provinces of Venice, Udine, Gorizia and Trieste scored respectively 99, 103, 47 and 101. Unfortunately data on the geographical distribution of all the projects wasn't available, so the graph reflects only the projects implemented in the applicant regions, however we can still evince from it that there is an imbalance in initiatives on the Slovenian side, while the distribution among the major participating regions in Italy (Venice, Udine and Trieste) is quite even. Gorizia's number of projects is much smaller compared to its Italian counterparts, as it is geographically smaller.

Another characteristic that can be explored other than the geographical distribution is the intensity of networking. The number of partners supported ranged from 1 to 28,

and if we combine this number with the number projects it is possible to obtain the intensity of networking<sup>71</sup>, as shown in the following graph.

**Figure 2.2**

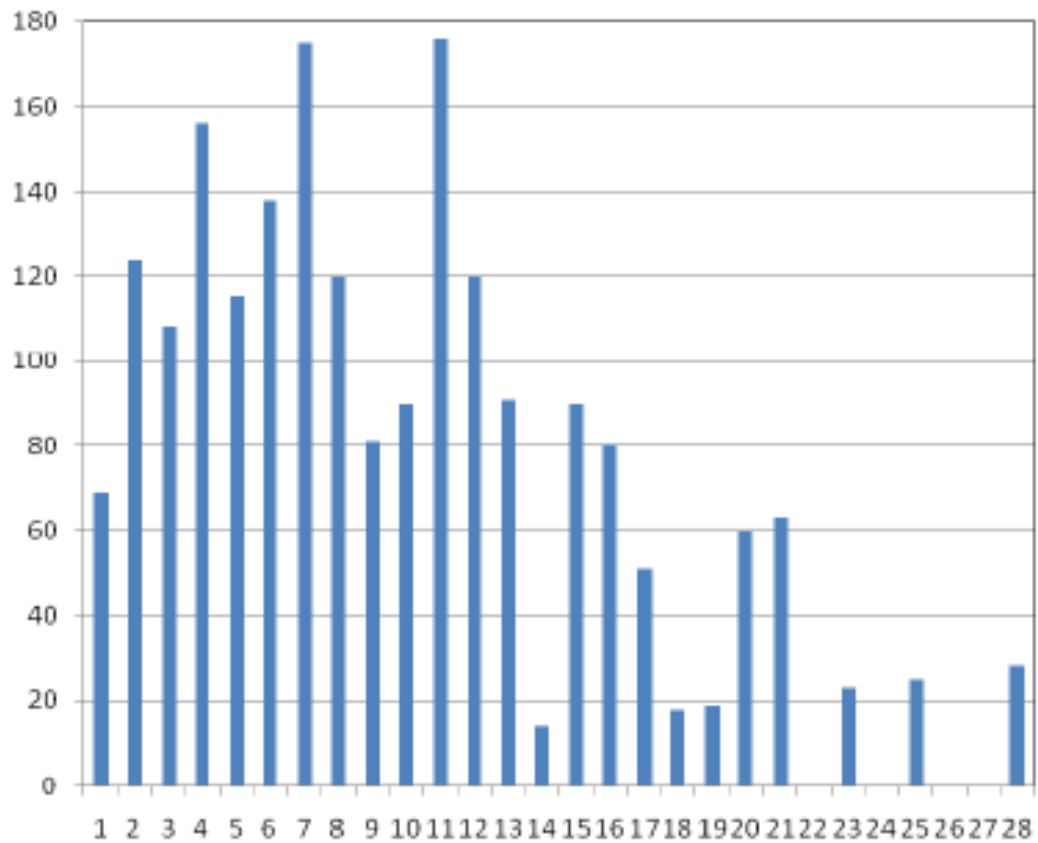


*Source: EX-POST Evaluation of INTERREG 2000-2006 initiative*

The graph above clearly shows that the majority of programmes was characterised by a smaller participation, with a number of partners raging from one to 7, while projects that involved a greater number of partners (more than 15) were very few. Definitely the highest number of projects is that referring to those with 1 or 2 partners. To bring further our analysis of the effect of networking we can calculate the networking index, which can be found by multiplying the number of project partners by the number of project with the same number of project partners. The results are shown in the graph below.

**Figure 2.3**

<sup>71</sup> *Ex-Post Evaluation of INTERREG 2000-2006 Initiative Financed by the European Regional Development Fund, Evaluation Report on the Italy-Slovenia Programme, Op.Cit.*



*Source: own edition, based on the EX-POST Evaluation of INTERREG 2000-2006 initiative*

As we can see from the graph above, the highest networking index can be found in the projects with a number of partners included between 4 and 7. There are a higher number of projects with fewer partners, but obviously the fact that they had fewer partners did not contribute networking.

## 2.2 – Evaluation of the sample projects

### 2.2.1– *Artists from two minorities*

“Artists from two minorities” is a cross-border project in the field of painting that involved the participation of the Slovenian minority in Italy and the Italian minority in Slovenia<sup>72</sup>. The project was part of priority 4 (special support to regions bordering candidate countries) that consisted just of one measure, 4.1.

The main goal of the project was to evoke among the people the perception of the border area as a single yet varied and composite cultural space where minorities play a significant role, as elements of junction and contact between two distinct geopolitical areas and, also, as a bridge between peoples<sup>73</sup>. The project consisted in the organisation of an itinerant art exhibition that in the spring and summer 2004 (as Slovenia was joining the European Union) took place along the border, and that involved a group of painters belonging to the two minorities. Each of the two minorities was represented by seven artists: Cej, Jussa, Klanjšček, Palčič, Raza, Švara and Vecchiet for the Slovenian minority in Italy, and Apollonio, Bassani, Juričič, Paladin, Stipanov, Ugussi and Zudič for the Italian minority in Slovenia. The exhibition took

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<sup>72</sup> Asse/Priority 4 – Special Support to Regions Bordering Candidate Countries, available at <http://www.ita-slo.eu/programme/interreg/> [accessed 2<sup>nd</sup> of April 2012]

<sup>73</sup> Ibid.

place at the Kulturni Dom in Gorizia and the Beneška Galerija in San Pietro al Natisone on the Italian side and, on the Slovenian side of the project, in the towns of Koper-Capodistria, Piran-Pirano and Nova Gorica<sup>74</sup>.

The project was a mirror project, and the beneficiary was Kulturni Dom in Gorizia, together with two Italian partners (ZSKD - Zveza Slovenskih Kulturnih Društev / Unione dei circoli culturali sloveni of Gorizia and Društvo beneških umetnikov / Associazione artisti della Benečija of S. Pietro al Natisone) and three Slovenian partners (Unione Italiana / Italijanska Unija of Koper – Capodistria; Galerija / Galleria “Artes” of Nova Gorica and Obalne galerije / Gallerie costiere of Piran - Pirano). The project was jointly prepared and implemented by partners on both sides of the border where representative bodies of both minorities were highly involved (for Italian minority Unione Italiana, the highest representative body in Obalno-kraška region and ZKSD for Slovenian minority as main body, representing Slovenian artist in Italy). The leading partner (Kulturni Dom) had a long experience in dealing with artists and therefore was in charge of coordinating all the activities.

The degree of complexity was medium, as the project counted only the exchange of mutual experiences. The experimentation level was rather low as the project was based on existing activities that were transferred at a cross-border level<sup>75</sup>.

The project didn't have any influence on political or administrative processes, but the aim was rather that of focusing on people's everyday life to reduce prejudices in the cross-border area.

The total cost of the project was 27.778,00 EUR and according to the leading partner

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<sup>74</sup> Ibid.

<sup>75</sup> *Ex-Post Evaluation of INTERREG 2000-2006 Initiative Financed by the European Regional Development Fund, Evaluation Report on the Italy-Slovenia Programme*, elaborated by Mojca Hrabar, OIKOS, svetovanje za razvoj d.o.o, Slovenia



the implementation of the project would have not been possible without Interreg funding<sup>76</sup>. Also the fact that the project was coordinated by Interreg made the whole selection procedure clear and transparent for all the applicants.

Because of the nature of the project, there was no enhancement of the consciousness of common challenges, as the project was aimed at encouraging cultural understanding and removal of stereotype prejudices. The basic need of the project partners was that of having their cultural work recognized and helping minorities preserving their heritage and culture<sup>77</sup>, and thanks to the cross-border cooperation the project partners managed to draw attention and to represent their culture more efficiently.

### *2.2.2. – 1001 The story of life*

The aim of the project “1001 Ponds – 1001 The story of life” is the conservation and improvement of the pond network located on karst, which includes the protection of the amphibians’ population, one of the most threatened species in Europe<sup>78</sup>. Karst amphibians, in particular, have survived only thanks to the network of ponds that today are disappearing because of the changes in the natural habitat. The measures therefore aimed at improving the condition of the environment by working on the pond-related cultural heritage, and promoting citizens’ participation in the ponds recovery and conservation in the cross-border territory<sup>79</sup>. The project started in June 2005 and ended in December 2007, and more that 150 ponds were recorded. The project was part of priority 1, which is about the sustainable development of the cross-

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<sup>76</sup> Ibid.

<sup>77</sup> Ibid.

<sup>78</sup> Asse/Priority 1 – Sustainable Development of the Cross-border Area, available at <http://www.ita-slo.eu/programme/interreg/> [accessed 2<sup>nd</sup> of April 2012]

<sup>79</sup> Ibid.

border area.

The project was a mirror type project, therefore the level of cooperation achieved was rather low. The partners were mainly public bodies that did not know each other before the implementation of the programme<sup>80</sup>. The beneficiary was the Zavod Republike Slovenije za varstvo narave – Istituto della Repubblica di Slovenia per la tutela della natura, and the partners were:

- Comune / Občina Sgonico - Zgonik
- Comune / Občina Monrupino - Repentabor
- Associazione sportiva e culturale dei Corpi
- Forestali del Friuli Venezia Giulia - Tutori Stagni e Zone Umide / Športno in kulturno društvo Gozdarske straže Furlanije Julijske krajine – Varuhi kalov in mokrišč
- Center za kartografijo favne in flore / Centro per la cartografia di fauna e flora (Ljubljana)
- Razvojni center - Zavod za razvoj podeželja / Centro di sviluppo - Ente per lo sviluppo rurale (Divača)
- Razvojno društvo / Associazione di sviluppo “Pliska” (Dutovlje)

The project didn't show a high degree of innovation, and also the level of complexity was low: activities were carried out separately on both sides, and cooperation was present only in an exchange of experiences.<sup>81</sup> The project did not involve any sort of joint outcomes, and the effects were present mainly at local and regional level, while some effects at a national level were related to the transfer of ideas (for example the project “sources of life” that is being implemented in the IPA Slovenia-Croatia

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<sup>80</sup> *Ex-Post Evaluation of INTERREG 2000-2006 Initiative Financed by the European Regional Development Fund, Evaluation Report on the Italy-Slovenia Programme*, Op. cit.

<sup>81</sup> Ibid.

2007-2013 is almost the same project as “1001 the story of life”, so this could be seen as a national level of influence)<sup>82</sup>.

As far as funding is concerned, the project applicants stated that the project could have not been implemented without Interreg funding, but no additional partner funding was needed (the cost of the project was 297.642,00 EUR)<sup>83</sup>. The project had some advantages. First of all, the project was connected to other projects of the Interreg III A programme with the aim to promote, protect and develop the Karst area. The cross-border project also helped with the reduction of prejudices on both sides of the border. The cooperation acquired between partners was not transferred to new projects, even though the applicants stated that the communication with the other partners remains regular and there are talks about new projects on the protection of the nature in the Karst area. The problems that were encountered during the implementation of the project were of administrative nature, particularly the incomprehensibility and poor structure of the application forms, the lack of clarity in the CIP and the lack of experience among the staff<sup>84</sup>.

As far as learning effects are concerned, as already said the project involved stakeholders that had never cooperated together before this project, and the tasks were implemented individually, this means that there wasn't much interaction and also that the cultural understanding was low. However, in terms of protection of nature and biodiversity, the project increased the capacities for better tackling the major needs in the area.<sup>85</sup>

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<sup>82</sup> Ibid.

<sup>83</sup> Ibid.

<sup>84</sup> Ibid.

<sup>85</sup> Ibid.

*2.2.3 - Functional adjustment of Ferneti Traffic Centre, in keeping with the new customs provisions, with special regard to the setting up of Ferneti - Sežana Logistic Platform at the time of Slovenian entry into the European Union (main works)*

The project aimed at the functional upgrading of cross-border traffic centres due to the entry of Slovenia in the European Union and the new customs provisions. To reduce the operation time the Ferneti – Sežana freight yard was created, with two connected import – export sections<sup>86</sup>. From a technical point of view, the project consisted of two parts: the first regarding main works (which is the one that is being analysed here) and the second complimentary works. The main works consisted in the construction of the freight yard, which is an interconnecting shed between warehouses, reorganisation of internal and external roads by re-asphalting the tracks and the yards, as well as renovation of public green space. The traffic centre was also equipped with specific IT technology for the creation of the single freight yard.<sup>87</sup>

The project was implemented by the beneficiary Trieste Intermodal Terminal – Ferneti and its Slovenian partner, BTC Terminal Sežana d.o.o, even though the involvement of the partner was minor: the actions were implemented mostly on the Italian side of the border, and the Slovenian partner was involved only passively by attending meetings where future developments were discussed, by inspecting the works and joining consultations on the new software equipment<sup>88</sup>. No joint diagnosis of the needs and problems was made, even though the project was the result of common needs. Only a study of needs in terms of hardware and software equipment was done, but already at a project level.

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<sup>86</sup> Asse/Priority 4 – Special Support to Regions Bordering Candidate Countries, available at <http://www.ita-slo.eu/programme/interreg/> [accessed 2<sup>nd</sup> of April 2012]

<sup>87</sup> *Ex-Post Evaluation of INTERREG 2000-2006 Initiative Financed by the European Regional Development Fund, Evaluation Report on the Italy-Slovenia Programme*, Op. cit.

<sup>88</sup> Ibid.

The project involved two organisations of the same type that were working on the same location, just on different sides of the border. These organisations gave little attention to long-term developments within the area. Indeed, the project was only based on contemporary problems and requirements of the users of the logistics terminal. The degree of complexity and experimentation was rather low, as the communication between partners and their involvement in the project stayed in the boundaries of the everyday practices. The project just slightly upgraded the already existing activities to a more frequent contact, and of course provided the necessary funding<sup>89</sup>. Even though the project was supposed to increase significantly the cross-border integration, it actually had just some kind of influence at a local level, more specifically the impacts of the project were felt right on the area of the project as there were less traffic jams due to trucks queuing at the border. In a wider area impacts like shorter logistical processing times could be found, that had the benefit to speed up the economic viability of export/import to Slovenia and further East<sup>90</sup>.

The project was mainly flawed by the lack of analysis, that didn't take into account that after Slovenia joined the EU the transport companies could have used the same service elsewhere if more effective, but not necessarily right on the border area<sup>91</sup>.

As far as the partnership and sustainability are concerned, the total cost of the project was 2.012.342,11 EUR and was co-funded by the region. The cooperation used links with partners on the other side of the border that well already well established before the implementation of the project, but it carry on with further joint projects and collaborations.

As for the learning effects, they were basically non-existent, if minor improvements in

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<sup>89</sup> Ibid.

<sup>90</sup> Ibid.

<sup>91</sup> Ibid.

software and data management are excluded.

#### *2.2.4 – Bio-agricultural management*

One of the priorities of the European Union is the growth of eco-compatible agriculture in the framework of promoting sustainable development. Indeed, the CAP (Common Agricultural Policy) focuses on the development of organic agriculture, and Regional Plans for Rural Development follow the same direction through the adoption of the so-called Agro-Environmental Measures<sup>92</sup>. Several farms in Friuli Venezia-Giulia have taken part in the actions envisaged in the Agro-Environmental measures, which means taking part into a system that allows the certification of regional integrated productions. In this context, cross-border cooperation represents an important element to tackle the issues related to vocational training<sup>93</sup>. Indeed, the project was based on the fact that the Italian side suffered from an evident lack of professionalism in the field of eco-compatible agriculture, while the Slovenian side needed to fill the gap towards the farming and agricultural standards required by the EU in the framework of the enlargement. Another major problem was also the fact that in both areas the degree of info-telematic technology applied in farming was very low. The project intended to launch a training programme aimed at improving the professional skills of farming experts and at creating a network of Italian and Slovenian farms.

The project was implemented by CEFAP – Centro per l'Educazione e la Formazione Agricola Permanente in Codroipo (centre for lifelong agricultural training and education) in partnership with the following organisations:

- APROBIO - Association of Organic and Biodynamic Farmers in Friuli Venezia

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<sup>92</sup> Asse/Priority 3 – Human Resources, Cooperation and Systems Harmonisation, available at <http://www.ita-slo.eu/programme/interreg/> [accessed 2<sup>nd</sup> of April 2012]

<sup>93</sup> Ibid.

Giulia (Codroipo)

- Farm "Ermacora" (Pavia di Udine)
- Farm "Saccavini" (Remanzacco)
- Promotion and Development Consortium (Udine)
- State Vocational Training Institute of Agriculture and Environment "Stefano Sabbatini" (Pozzuolo del Friuli)
- SDPZI - Slovenian Regional Vocational Training Institute (Trieste)
- Nova Gorica School Centre - Agricultural Technical School (Šempeter pri Gorici)
- ZEKSP - Association of Organic Farmers of Severna Primorska (Tolmin)

The beneficiary quickly established the cooperation thanks to its network of external experts that allowed finding Slovenian partners without problems. Subsequently visits of partners on both sides of the border occurred in order to prepare the project's idea<sup>94</sup>. In particular Slovenian experts provided knowledge regarding how to organise the course and when to organise for the farmers to have the maximum benefit<sup>95</sup>.

The downside of the project was that there were problems in paying the Slovenian experts to come to lecture and in covering the accommodation costs of Slovenian participants in the course, and as a result the training was performed for Italian participants only and in Italian<sup>96</sup>.

The degree of complexity was low: the cooperation was limited to the beginning, during the preparation of proposal, but after that there was almost no cooperation. There's still an occasional conversation between partners, but no other projects were implemented. The experimentation level was also quite low, as the training was a

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<sup>94</sup> *Ex-Post Evaluation of INTERREG 2000-2006 Initiative Financed by the European Regional Development Fund, Evaluation Report on the Italy-Slovenia Programme*, Op. cit.

<sup>95</sup> Ibid.

<sup>96</sup> Ibid.

classical one made of a series of lectures, even though the content was quite innovative. As the project focused on farmers, their everyday practices and innovative farming, the influence of the project was present only at a local level (in particular the Codroipo/Udine area which was the area of the participants).

The total cost of the project was 60.000 EUR and additional funding was needed to implement the project. As it was already mentioned, the partners did not continue with further projects, but nonetheless they kept in touch waiting for a new opportunity to cooperate again<sup>97</sup> (it should be mentioned that the partners didn't know each other before the implementation of the programme).

As for the learning effects, the project was implemented almost unilaterally on the Italian side of the border: it improved the knowledge of the Italian partners, but on the other side it did not enhance consciousness of common challenges and development perspectives, as it was oriented too much into vocational training<sup>98</sup>. The project also brought some organisational learning, but only regarding the awareness of the requirements of EU funding sources and the need for strong project ideas. Overall the project resulted in very specific knowledge and exchange of experiences, not only between the project partners but also among the farmers from the Codroipo/Udine area that benefited in terms of individual and organisational learning effects.

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<sup>97</sup> Ibid.

<sup>98</sup> Ibid.



### *2.2.5 – VALO – PT project – Development and enhancement of typical products in the cross-border area*

The idea of this project came from the need to improve the situation of farms and foster agricultural competitiveness on the basis of a sustainable and environmental-friendly development. The work carried out for several years in the territory has shown the need for a joint analysis and a targeted development of typical agricultural produce in the cross-border area, especially of high quality, organic, traditional and typical products.<sup>99</sup>

The main objective of VALO-PT was the setting up of a single cross-border data bank for typical products in order to give the primary sector of this area greater visibility by means of special events, information material and creation of several information centres that farms could refer to<sup>100</sup>.

Several sectors were involved: meat, milk, fruit-growing, olive-growing, vegetable-growing, vine-growing, medical herbs and typical dishes.

The project aimed at the enhancement of high added value products, especially of typical local and traditional products, which make their recognition easier and at the same time consolidate the territorial visibility.

The project lasted from September 2005 to December 2007 and it was approved under Priority 2 (economic cooperation) and Measure 2.3 (cross- border cooperation in the primary sector).

The project applicants were the Gorizia Province (ITA) and Kmetijsko gozdarski zavod (KGZ) Nova Gorica (SLO). Both the applicants had already prepared similar projects in

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<sup>99</sup> Asse/Priority 2 – Economic Cooperation, available at <http://www.ita-slo.eu/programme/interreg/> [accessed 2<sup>nd</sup> of April 2012]

<sup>100</sup> Ibid.

the area, indeed the Gorizia province took part in many other INTERREG programmes like “TRANSPLAN – Cross-border special planning”; “Conspace: common strategy network for spatial development and implementation”, etc. KGZ Nova Gorica was also previously involved in EU programmes of a local nature<sup>101</sup>.

The partners of the project were:

- CIA - Confederation of Italian Farmers (Gorizia)
- Doberdo del Lago - Doberdob Municipality
- Duino Aurisina - Devin Nabrežina Municipality
- Fogliano - Redipuglia Municipality
- Gorizia Municipality
- Monfalcone Municipality
- Monrupino - Repentabor Municipality
- Ronchi dei Legionari Municipality
- S. Dorligo della Valle - Dolina Municipality
- Sagrado Municipality
- Savogna d'Isonzo – Sovodnje ob Soči Municipality
- Sgonico - Zgonik Municipality
- Wine Protection Consortium "Vini Collio" (Cormons)
- Farmers' Association (Trieste)
- Forestry and Agricultural Institute - Forestry and Agricultural Chamber (Celje)
- MOISIR - Committee for the Enhancement of the Dairy Products Manufactured in the Kras Plateau of Trieste Province

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<sup>101</sup> *Ex-Post Evaluation of INTERREG 2000-2006 Initiative Financed by the European Regional Development Fund, Evaluation Report on the Italy-Slovenia Programme, Op. cit.*

- Trieste Province
- ROD - Development Agency (Ajdovščina)
- TERGESTE DOP - Committee for the Enhancement of Trieste Extra Virgin Olive Oil (Trieste)
- UAG - Association of Venezia Giulia Farmers (Gorizia)
- ZRS - Science and Research Centre - University of Primorska
- Scientific and research centre Koper
- Farmers association (SLO)
- Association Coldiretti
- Beekeepers of Trieste consortium

The purpose of the project was that of presenting farmers with possibilities of extra incomes by creating a recognised brand of regionally typical products<sup>102</sup>. This need was present both on Slovenian and Italian side, and even though the agriculture on the Italian side had been better oriented towards the market, still there was a need for a more active promotion of gastronomic specialities of the area to develop supplementary activities like tourism.

The project introduced a basis for following projects thanks to activities like gaining new contacts, meeting future partners, examination and inventory of typical harvests and products, exchange of experiences and knowledge and forming of marketing activities by creating a common brand. The project included also the creation of a strategy for chosen typical local products (TPI) for each area, creation of technologies of producing and processing the chosen TPI, education of producers and processors of TPI, publication of a book and other promotional materials, set-up of common web

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<sup>102</sup> Ibid.

pages about TPI and creation of a marketing strategy<sup>103</sup>.

To sum up the results:

- 8 strategies were created
- 7 technologies created in Slovenia and 5 in Italy
- 75 educational activities were carried out in Slovenia and 27 in Italy;  
50.000 enlightened customers in Slovenia and 80.000 in Italy
- 3.000 books, 160.000 booklets, 40.000 brochures, 22.000 posters, 1  
webpage, 1 territorial brand Kras-Carso
- 4 expertise meetings in Slovenia, 4 in Italy
- 5 INFO points in Slovenia, 3 INFO points in Italy
- 1 exhibition and 1 presentation of the project in Slovenia, 1 exhibition  
and 4 presentations of the project in Italy<sup>104</sup>

What characterised this project was the fact that it has a certain degree of political strength because of the fact that both parties were relatively large and important political organisations, and because of the territorial size of the project area. The VALO-PT project was of a high strategic importance because of the stress put on strategic development on marginalised areas. Obviously small farms do not stand a chance by acting by themselves on the market, but being connected in an organised network with a cover brand can give them a real chance of surviving and being economically successful.

One of the main assets of the VALO-PT project was the wide spectrum of partners that assured involvement on different levels, including local and regional authorities, associations, institutes, committees, universities and development agencies. Another

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<sup>103</sup> Ibid.

<sup>104</sup> Ibid.

main feature of the project was the fact that the two processes that were being implemented on the two sides of the border were then connected in a joint project, and for the first time different expert institutions, organisations and local communities were connected in a project all the most important areas of agricultural harvesting in the border area<sup>105</sup>. The direct targeted groups were farms which produce or process agricultural harvests and products, while the indirect targeted group were consumers that could then have access to products of higher quality<sup>106</sup>.

The activities of the project were organised in 7 phases<sup>107</sup>:

1. Phase (April 2005 – November 2006):

Designing strategies with a development plan and a register for chosen agricultural harvests and products. This phase was conducted simultaneously in Slovenia and Italy.

2. Phase (April 2005 – December 2007):

Designing technologies and processes for the chosen TPIs. In this phase technologies of producing and processing of individual chosen harvests and products were designed. It was conducted simultaneously in Slovenia and Italy.

3. Phase (May 2005 –April 2007):

Motivational and technological lectures, workshops and customer informing were organised for targeted publics in Italy and Slovenia

4. Phase (April 2005 – September 2006):

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<sup>105</sup> Ibid.

<sup>106</sup> Ibid.

<sup>107</sup> Ibid.

Publications, common territorial brand Kras-Carso and the rest of the materials about TPIs were designed. A book about TPI in the cross-border area was published, booklets and posters from individual areas were created for marketing of TPI. The common territorial brand Kras-Carso which represents TPIs was designed, as well as the common marketing strategy.

5. Phase (January 2006 – December 2007):

Organisation and execution of meetings for experts from individual areas. The purpose was to promote the project and exchange experience among cross-border partners. This phase was implemented simultaneously in Slovenia and Italy.

6. Phase (April 2005 –November 2006):

INFO points were designed and equipped on visited tourist spots, where booklets and posters were presented.

7. Phase (January 2006 – December 2007):

Organisation and execution of TPI exhibition on both sides of the border and presentation of the project's results.<sup>108</sup>

The VALO-PT project finished at the end of 2007 with successful results, and in some areas the expectations were even exceeded. One of the up-sides of the project was the information exchange (among professors, agricultural counsellors and experts) that was carried out during workshops and seminars, which were also organised in both languages. An informal network was established on different levels, and also organisational learning was achieved by most of the involved parties.

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<sup>108</sup> Ibid.

One of the project's biggest positive features was the improvement of the situation regarding the cross-border communication, partnership building, information exchanging and building, and the goal for the future is certainly that of continuing this positive trend of partnership and knowledge exchange, as there is still space for improvement<sup>109</sup>. For example the possibility of a more institutionalised cooperation wasn't really explored, and it could allow carrying out more strategic and long-term projects instead of smaller individual projects. Tourism is another activity linked to the project that wasn't really exploited and that has a huge potential because it is already developed in both regions but poorly connected. The partners were overall very satisfied with the results of the project, and most importantly all of them were able to contribute to the course and to the results of the project<sup>110</sup>.

### **2.3 – Intermediate conclusions**

In this chapter 5 projects were analysed, as the total number of projects was too big to allow an analysis of each one of them, and even though the number of the projects evaluated is too small to represent all the projects funded by the programme some conclusions can still be drawn. These projects showed that the sustainability is low, as most of them finished when funding was over and only a few managed to remain sustained. Rarely they were copied to other regions, showing that they were neither robust nor durable.

Without doubts the largest effect was networking and the exchange of information:

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<sup>109</sup> Ibid.

<sup>110</sup> Ibid.

Even though the projects did not produce significant cross border effects, they produced durable ties amongst beneficiaries and partners that were then more likely to apply for further projects. Indeed, it was pointed out by the participants that they had learnt useful methods, approaches and skills that will be used in their work fields. The conclusion therefore is that the projects had far more intangible effects that could not be easily assessed by a “traditional” evaluation.



## **CONCLUSIONS**

The previous pages presented an analysis of the main aspects related to the cross-border cooperation on the Italo-Slovene border, and in particular regarding to the programme INTERREG IIIA that occurred in the period 2000-2006. The process highlighted first of all the most strictly theoretical aspects related to the concept of borders and cross-border cooperation in the EU.

In the second chapter the context of the programme INTERREG IIIA was set, with an overview of the history of the cooperation in the programme area, of the historical background of the area, and of the factors characterising the INTERREG IIIA.

In the second part of this work, the economical aspect of the programme was taken into consideration, and a financial analysis was carried out, focusing on the effectiveness of the programme, the analysis of the intervention codes and the evaluation projects. This evaluation in particular was carried out in the second chapter of the second part of the thesis, and 5 sample projects were selected as a sample to be analysed, on the basis of two criteria: the covering of the priority topics that were set for INTERREG III Strand A and the availability of sources and documents. The projects that were chose are:

- 1001 Ponds – 1001 The story of life
- Artists from two Minorities
- Functional Adjustment of Ferneti Traffic Centre, in keeping with the new customs provisions, with special regard to the setting up of Ferneti – Sežana Logistic Platform at the time of Slovenian entry into the European Union
- VALO-PT – Development and enhancement of typical products in the cross-border area

- Bio-agricultural management and control

What makes the Italy – Slovenia INTERREGIIIA 2000-2006 different is the fact that when it started Slovenia wasn't a member of the EU, and therefore the funding was a combination of ERDF and PHARE, which caused a number of problems and restrained the implementation of the programme. When after 2004 the funding switched from the combination of ERDF and PHARE to pure ERDF there was a major change in the programme and its implementation, which improved the results dramatically.

Nevertheless, the feeling is that most of the money was spent without it leading to a serious cross-border impact, and that from the point of view of the Italian side the results obtained were "as good as they could get" considering the general conditions. The main problems were the language barriers and complicated and diverse implementation structures (for example differences in the system of selection of projects, their implementation and monitoring and funding sources). But not everything wasn't negative, as there were present also some positive factors that fostered the cooperation, such as the involvement of minorities (that will be further explored later on).

Regarding the projects that were implemented during the programme, the most successful ones were those dealing with sustainable rural development, agriculture and joint promotion of agricultural products (for example the project VALO-PT that was extensively analysed previously and was the most successful of the projects analysed). On the other hand, the projects involving SME were few and their quality poor, as private organisations were not eligible. There was only a few projects targeting transports, and mostly dealt with cross-border transport infrastructure, and as seen previously the Railway intervention code was the most underrepresented one, therefore the impact of this projects was minor.

Overall, the cross border cooperation was developed in a remarkable way in fields such as the valorisation of products deriving from the primary sector, the development of the touristic potential, the environmental protection, and above all the cultural field. There's no doubt that all these aspects are of great importance when it comes to build a network of initiatives and acquaintances that are essential to develop a conscience of what living together means. But the development of cooperation in the economic field, intended as a compenetration of economical systems based on the synergy between production systems, needs targeted interventions supported by a strong and shared political will, elements that now are sadly missing<sup>111</sup>.

Politics in particular haven't been able to express and promote a long-term strategic plan to promote a coordinated economical development and to create synergies between the entrepreneurial systems so far<sup>112</sup>. This inability was also worsened by the fact that the two countries have two different administrative structures of the territory: indeed the absence of a regional administrative level in Slovenia made the connections at a regional level very difficult.

The most important improvements brought by the programme were by far a massive improvement of networking, and of the knowledge of EU policies. But the added value to the programme was the strong participation of the minorities.

The analysis shows that one of the most successful traits of the programme was the fruitful collaboration with the minorities that in many cases eased and "softened" some of the programme's flaws, like the issues linked to communication. Minorities can really be an asset in cross-border cooperation because of their knowledge of their neighbouring kin state's culture, language and political system. Whether the cooperation between

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<sup>111</sup> *Progetti di Cooperazione Economica Italia-Slovenia Realizzati nell'Area Transfrontaliera e loro Ricaduta sul Sistema delle Imprese*, edited by Informest, available at <http://www.icon-project.eu/> [accessed 5<sup>th</sup> of April 2012]

<sup>112</sup> Ibid.

minorities and governance organs is led directly (through representatives of institutions) or indirectly (as individuals employed), minorities can be justly considered the perfect cultural and economic ambassadors, that can build bridges over the borders and networking successfully, and by doing so they can help deconstructing old prejudices and bring together areas divided by history (as in the case of the Italo-Slovenian border). That's why political actors should promote minority competences and minorities should be included in the economic development of border regions and in territorial cooperation like INTERREG. Minorities "created a specific cultural role for themselves in a space where regional politics and minority politics are viewed as sharing common goals", which included the will to bring prosperity "through the revival of a cross-border regional identity, based on joint histories and interculturalism"<sup>113</sup>.

As stated in the introduction of this work, cross-border cooperation and the role of minorities in this kind of cooperation are concepts that are still relatively unknown, and the notion that minorities could actually promote rather than obstruct European integration has yet to be explored, because of the fact that national minorities in Europe still live in the shadow of historical event of the nineteenth and twentieth centuries, when they were seen as obstacles to state building<sup>114</sup>, but this whole set of ideologies might be in transition at this time, and we might be witnessing a change in the perception of minorities.

Cross-border cooperation has played an important role in the redefinition of the cross-border relations in the area: it created new sets of social, economic and cooperative relations that before the 90's simply had not existed. It is important to keep in mind the fact that Interreg programs don't specifically target minorities. However, several

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<sup>113</sup> Tove H. Malloy (2010): *Creating New Spaces for Politics? The Role of National Minorities in Building Capacity of Cross-border Regions*, *Regional & Federal Studies*, 20:3, 335-351

<sup>114</sup> Ibid.

projects financed by Interreg have directly or indirectly addressed minority communities. It can be stated then that the most important outcome of these projects is that the relationship between the Slovene minority in Italy and the Italian minority in Slovenia has become more intense and fruitful.

In conclusion, some things have to change if the Interreg programme is to have a real impact on the Italo-Slovene border: first of all it should focus on a few priorities with a real cross-border character to bring an important structural change to the area; participation of private organisations and private funding should be allowed and regional authorities preferably discouraged; the projects with high level of experimentation shouldn't be avoided because of the risk of failure but instead supported because of all the beneficial side effects that they could have, like networking, increased skills and competitiveness; language skills should be dramatically improved to allow a real cooperation, as it was proved that language barriers were one of the main causes of the failure of projects. All these devices would increase the beneficial effects and make the Interreg programme a tool for real change in the area that could bring it back to the old splendour it knew during the mittleuropea period.

According to Fernand Braudel, the Adriatic is the most coherent of the maritime regions, and such coherence should be found once again through cross-border cooperation<sup>115</sup>. If this is to happen, the minorities should have a bigger role in the re-shaping of the area, as not only they are touched by the changes brought by the European Union programmes, but they are also the main actors when it comes to actually make a change in the area and help overcome decades-old prejudices.

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<sup>115</sup> Del Bianco, Daniele. *L'esperienza dell'Euroregione dell'Alto Adriatico*. ISIG Journal, Volume XVII no. 1, 2008

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## ANNEX

Table 1 – Priorities and related codes of intervention

<i>Priority/measure</i>	<i>Code of intervention</i>	<i>Code description</i>
<b>Priority 1 - Sustainable development of the cross-border area</b>		
1.1. Protection, preservation and development of the environment and the territory	413	Studies
1.2. Development and strengthening of cross-border organisations, infrastructures and networks	161, 311, 316, 318, 354, 413	Investment in physical capital (plant and equipment, co-financing of state aids), Rail, Waterways, Multimodal Transport, Maintenance and restoration of the cultural heritage, Studies
<b>Priority 2 - Economic cooperation</b>		
2.1. Improvement in competitiveness and cooperation	161	Investment in physical capital (plant and equipment, co-financing of state aids)
2.2. Cross-border cooperation in the tourism	172	Non-physical investments (development and provision of tourist services, sporting, cultural and leisure activities, heritage)
2.3. Cross-border cooperation in the primary sector	/	/
<b>Priority 3 - Human resources, cooperation and systems harmonisation</b>		
3.1. Human resources vocational training and retraining and innovative initiatives on the labour market	/	/
3.2. Cooperation in culture, communication and research and between institutions for the systems harmonization	181, 354, 413	Research projects based in universities and research institutes, Maintenance and restoration of the cultural heritage, Studies
<b>Priority 4 - Special support for regions bordering candidate countries</b>		
4.1. Special support for regions bordering candidate countries	181, 311, 318, 321, 354, 413	Research projects based in universities and research institutes, Rail, Multimodal Transport, Basic infrastructure, Maintenance and restoration of the cultural heritage, Studies
<b>Priority 5 - Support to cooperation</b>		
5.1. Technical assistance	/	/
5.2. Evaluation, information, publicity and cooperation	413	Studies

Source: *Ex-Post Evaluation of INTERREG 2000-2006 Initiative Financed by the European Regional Development Fund, Evaluation Report on the Italy-Slovenia Programme*, elaborated by Mojca Hrabar, OIKOS, svetovanje za razvoj d.o.o, Slovenia

Table 2 – Achievement rates

<i>Measure</i>	<i>Variable (Projects)</i>	<i>Ind.*</i>	<i>Projects</i>		<i>Achieved rate %</i>	<i>Mean %</i>
			<i>Planned</i>	<i>Achieved</i>		
1.1 Environment and territorial protection, conservation and development	Monitoring systems	No.	12	9	75,00	61,18
	Treatment and purification	No.	4	5	125,00	
	Safety of sites at hydro-geological risk	No.	24	33	137,50	
	Installations for waste disposal	No.	3	1	33,33	
	Environmental maintenance works	No.	5	2	40,00	
	Projects for the preservation and development of environmental resources	No.	5	4	80,00	
	Interventions in protected areas	No.	30	12	40,00	
	Sectoral plans and programmes	No.	20	14	70,00	
	Sectoral studies and researches	No.	12	0	0,00	
	Remediation of contaminated sites	No.	25	0	0,00	
	Extension of energy sources distribution networks	No.	2	0	0,00	
	Renewable energy sources	No.	3	4	133,33	
1.2 Development and strengthening of organizations, infrastructures and cross-border networks	Navigable waterways	No.	2	1	50,00	51,43
	Railway networks	No.	1	1	100,00	
	Airports	No.	1	0	0,00	
	Trade and fishing ports	No.	1	0	0,00	
	Regional/local roads	No.	1	3	300,00	
	Multimodal transport	No.	2	2	100,00	
	Urban and suburban transport	No.	2	0	0,00	
	Smart transport system - public transport network	No.	1	0	0,00	
	Studies and researches on cross border public transport network	No.	2	0	0,00	
	Smart transport system - traffic and transport networks	No.	3	2	66,67	

			Projects			
Measure	Variable (Projects)	Ind. *	Planned	Achieved	Achieved rate %	Mean %
	Studies and researches on projects and systems of optimised management of traffic and transport networks	No.	2	0	0,00	
	Studies and researches on cooperation between administration, institutions and organisations	No.	2	2	100,00	
	Widening and setting up of industrial, technological sites	No.	2	0	0,00	
	Preservation/recovery of cultural heritage	No.	30	1	3,33	
2.1 Improvement in competitiveness and cooperation	Industrial, handicraft and trade aids	No.	5	1	20,00	11,11
	Advisory services for SMEs - CB economic animation and creation of networks between economic bodies	No.	6	1	16,67	
	Common services for SMEs	No.	9	0	0,00	
	Advisory services for SMEs - CB cooperation between SMEs	No.	15	2	13,33	
	Aid to R&D	No.	6	1	16,67	
	Diffusion and public-private collaboration of TRD	No.	12	0	0,00	
2.2 Cross border cooperation in tourism	Initiative for the territory's tourist development	No.	20	38	190,00	295,00
	Structures for tourism and spare time	No.	7	28	400,00	
2.3 Cross border cooperation in the primary sector	Marketing of quality agricultural products (projects)	No.	n.a.	25	n.a.	298,89
	Interventions on production plants	No.	2	5	250,00	
	New technologies in biological production lines	No.	3	17	566,67	
	Investments for the multiple activity of the farm	No.	5	4	80,00	
3.1 Human resources, vocational training and retraining and innovative initiatives on the labor market	Support devices and instruments to upgrade the educational offer system	No.	25	22	88,00	537,67
	Vocational training	No.	3	45	1500,00	
	Support to initiatives aimed at improving knowledge and integration between labour markets	No.	8	2	25,00	
3.2 Cooperation in culture, communication and research and between institutions for the systems harmonisation	Sectoral studies and researches	No.	3	37	1233,33	904,17
	Investment to promote the knowledge and use of the cultural heritage	No.	12	69	575,00	
4.1 Special support for regions bordering candidate countries	Multi-modal transport	No.	1	2	200,00	117,76
	Basic infrastructure	m2	100.000	35.517	35,52	
	Promotion actions, exhibitions and Events	No.	n.a.	29	n.a.	
5.1 Technical assistance	Meetings of the Committee	No.	40	24	60,00	89,44
	Staff	No.	12	13	108,33	
	Acquisition software	No.	1	1	100,00	
5.2 Evaluation, information, publicity and cooperation	Acquisition software and hardware	No.	10	24	240,00	391,25
	Evaluations reports	No.	3	9	300,00	
	Studies	No.	4	1	25,00	
	Seminars	No.	2	20	1000,00	

Source: *Ex-Post Evaluation of INTERREG 2000-2006 Initiative Financed by the European Regional Development Fund, Evaluation Report on the Italy-Slovenia Programme*, elaborated by Mojca Hrabar, OIKOS, svetovanje za razvoj d.o.o, Slovenia